The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

JAPAN IN MANCHURIA 1931-1933

The Chronology of Manchukuo

The Problem of Chinese Policy Toward Japan

Neutral Zone Becomes Hot-Bed of Japanese Instigated Banditry

Osaka Businessmen Fear to Invest in Manchuria Due to Increasing Banditry and Disorder

The "Review" and Nagasaki "Thought" Guardians

The "Old Fogies" of Japan Who Are Trying to Rejuvenate the Country

America and Japan Engage in Naval Race as "Disarmament" Preliminary

Has the Chinese Nationalist Revolution Spent Its Force? *(By a Correspondent in Peiping)*

Manchukuo Tries to Make the Soviet Delegates More Amenable *(By the Review's Correspondent at Changchun)*

League's Technical Aid to China; Dr. Rajchman and T. V. Soong *(By the Review's Tokyo Correspondent)*

How the French Railway Dominates the Politics and Economics of Yunnan . . . . . By Wilbur Burton

Significant Features of the First Draft-Constitution of China . . . . . By M. C. Liang

Japan Builds "Manchurian Paradise" With Sword and Opium . . . . . By Shen Hsueh-chuan

The Present War Psychology . . . . . By C. Y. W. Meng

Will Generals Ma Chan-shan and Su Ping-wen Retire?. . . . . By Paul K. Whang

SATURDAY, SEPTEMBER 16, 1933 VOLUME 66, NUMBER 3

FORTY CENTS A COPY

66-089

WORLD WIDE BANKING FACILITIES

Founded in 1812

THE
NATIONAL CITY BANK
OF NEW YORK

Capital, Surplus and Undivided Profits, over U.S. $179,983,000

BRANCHES AND CORRESPONDENT THROUGHOUT THE WORLD

Local Branch:
1a Kiukiang Road,
Shanghai.

Head Office:
55 Wall Street,
New York.

SPECIALIZED REALTY SERVICE

Dependable business and invesment counsel

before you invest—investigate

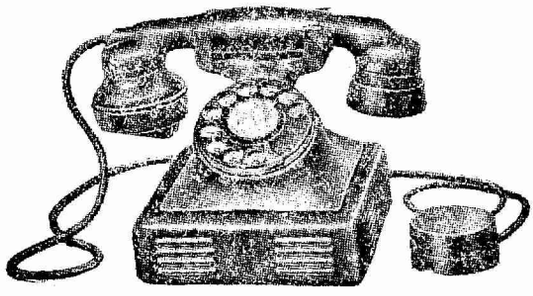
Shrewd judges of realty investment whose experience is yours—without cost or obligation.

R. M. VANDERBURGH TRUMAN JOHNSON
FRED KEMPTON H. T. CHANG
GEORGE HOH

REALTY INVESTMENT COMPANY
FEDERAL INC. U. S. A.
SHANGHAI

56 Szechuen Road Cable "Realinvest"

China Electric Company
LIMITED



Manufacturers and Importers of Manual and Automatic Telephone Equipment.

HARBIN SHANGHAI PEIPING
TIENTSIN HANKOW
CANTON HONGKONG

Shanghai Office: 230, Medhurst Road

I'll meet you at—
"so-and-so's"

HOW often do we hear the remark "I'll meet you in the lobby——"; and I'll see you later——"; or I'll see you at So-and-So's", and almost invariably these messages are carried by telephone. What would modern society do without this modern marvel to simplify its daily tasks?

And yet there are still many individuals who waste time and money every day by slow and old fashioned means of communication when a telephone can be installed so cheaply in the home. . . .

Consult the Business Office.

232 Kiangse Road *Telephone* 11400
1200 North Kiangse Road *Telephone* 41415

SHANGHAI TELEPHONE COMPANY

READ

"THE CHINESE REPUBLIC"

Edward Bing-Shuey Lee, Editor

SPECIAL FEATURES

1. Review of World Events
2. Survey of the Week's News in China
3. The Mis-Republic
4. What China Has
5. Chinese Leaders' Views

OTHER FEATURES

1. Editorials
2. Special Articles on Economic Development, Foreign Affairs, Current Topics and Specialized Subjects
3. Reconstruction
4. Chinese Press Opinion
5. Foreign Press Opinion
6. Documentary Data
7. Book Reviews

20 Cents per Copy

$ 7.00 Mex. per year (domestic)
$16.00 Mex. per year (foreign)

Business and Editorial Offices,
14 Kiukiang Road, Shanghai.

"The Peiping Chronicle"

Leading English Language Daily Newspaper of North China. Presenting news impartially and promptly, interpreting current events in a sane and liberal spirit, and editorially supporting progressive and constructive policies.

Enjoying the widest circulation in North China and other places, and serving as the best medium for advertising.

SUBSCRIPTION RATES:

Single copies	10 cents
Sunday only one month	40 „
Two week	$ 1.00
One month	„ 2.00
Six months	„ 11.00
One year	„ 20.00

(Postage extra)

2. Mei Cha Hutung, Peiping, China.

Cable Address: "CHRONICLE"

THE PEOPLE'S TRIBUNE

An Organ of National-Revolutionary Thought and Opinion

Edited by T'ANG LEANG-LI

THE PEOPLE'S TRIBUNE aims at conveying accurate information and the correct interpretation thereof, at informing the foreign public what China's masses and their responsible leaders are thinking and doing at explaining the significance of major political and other relevant developments—without fear or prejudice.

Among its contributors we find political leaders and thinkers of international repute, such as WHANG CHING-WEI, T. V. SOONG, CHEN KUNG-PO, QUO TAI-CHI, Dr. WELLINGTON KOO, SUN FO, and experts who, anonymously or under their own name, write with the greatest authority on their respective subjects.

THE PEOPLE'S TRIBUNE is therefore indispensable to all who are interested in the political, social, and economic development of national-revolutionary China.

Single Numbers: 20 cents — Twelve Numbers: Mex $2.00 (Abroad G.$1.50)

CHINA UNITED PRESS

72 Szechuen Road, Shanghai

Telephone: 18447 — Cablegrams: Cupress

JUST WHAT YOU WANT

A Simple, Systematic but Thorough Course of Study in the Chinese Language.

By

Prof. W. A. Scharffenberg

PRINCIPAL

HOME STUDY INSTITUTE

Oriental Branch

UNIT I

Ten Lessons

Now Ready For Distribution
Units II, III, IV & V to follow.

Each Unit consists of approximately twenty-five pages of helpful instructions on general principles of language study and other related subjects. Fifty pages of vocabularies covering five hundred useful terms. Twenty pages of intensely interesting analysis of Chinese characters. From ten to twenty pages of reading lessons.

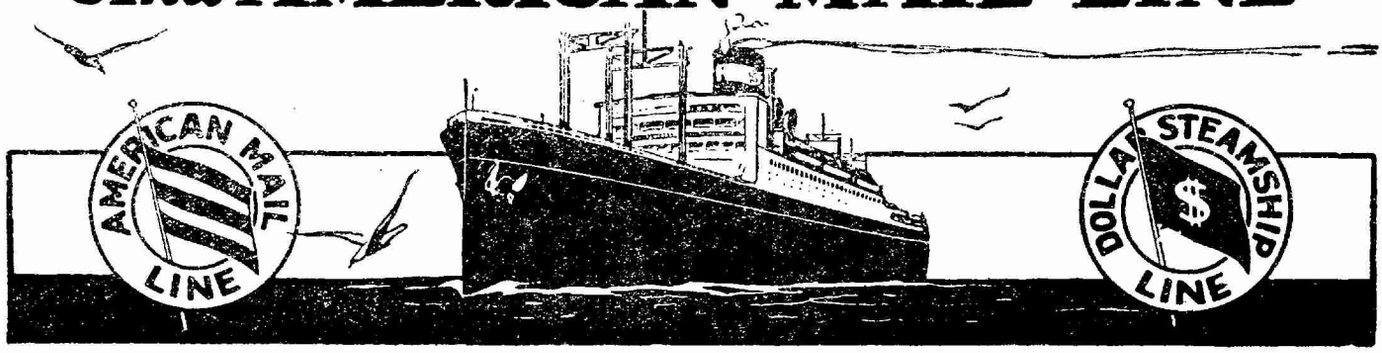
Prices: U.S. Gold $2.00—Malaya, $5.00 Straits Currency; China, $6.00 Mex.

Send orders and remittances to the

CHINA WEEKLY REVIEW

38 Avenue Edward VII
Shanghai

DOLLAR STEAMSHIP LINE
And AMERICAN MAIL LINE



THE
EXPRESS ROUTE

DAYS **14** DAYS

SHANGHAI
TO
SEATTLE

THE FASTEST SERVICE FROM
Shanghai to the Pacific Coast
VIA
KOBE
AND
YOKOHAMA

THE
SUNSHINE ROUTE
SHANGHAI
TO
NEW YORK
VIA
Kobe-Yokohama-Honolulu
SAN FRANCISCO
LOS ANGELES
THENCE
Panama Canal-Havana
NEW YORK

AMERICAN MAIL LINE
ROBERT DOLLAR BUILDING

DOLLAR STEAMSHIP LINES
3 CANTON ROAD TELEPHONE 15309

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China.

66-092

密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 66 | Shanghai, China, Saturday, September 16, 1933 | Number 3

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 88 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; HOH CHIH-HSIANG, Asst. Editor; TRYPHON KU, Advertising Dept.; F. K. CHAO, Business Dept.

CONTRIBUTING EDITORS

C. Y. W. MENG S. Y. LEUNG

STEPHEN WANG PAUL K. WHANG

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

The "Review" and Nagasaki "Thought" Guardians.. 81
Neutral Zone Becomes Hot-Bed of Japanese-Instigated Banditry 82
Osaka Businessmen Fear to Invest in Manchuria Due to Increasing Banditry and Disorder 83
The Problem of Chinese Policy Toward Japan 89
The "Old Fogies" of Japan Who Are Trying to Rejuvenate the Country 93
America and Japan Engage in Naval Race as "Disarmament" Preliminary 94

Special Articles

Japan Builds "Manchurian Paradise" With Sword and Opium.....By Shen Hsueh-chuan 96
League's Technical Aid to China; Dr. Rajchman and T. V. Soong..... 99
How the French Railway Dominates the Politics and Economics of Yunnan..... By Wilbur Burton 102
Has the Chinese Nationalist Revolution Spent Its Force?..... 108
The Present War Psychology.....By C. Y. W. Meng 110
Will Generals Ma Chan-shan and Su Ping-wen Retire? .....By Paul K. Whang 114
Manchukuo Tries to Make the Soviet Delegates More Amenable 116
Who's Who in China 121
Men and Events 122
The Chronology of Manchukuo..... 124
New Books of Interest in the Far East 126
Significant Features of the First Draft-Constitution of China.....By M. C. Liang 128

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS" COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 88 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

WASHINGTON OFFICE
J. J. Underwood—Correspondent
Colorado Building, Washington, D. C.

THE "REVIEW" AND NAGASAKI "THOUGHT" GUARDIANS

ON September 8 there arrived in Nagasaki, Japan a young American college professor, William W. Lockwood, Jr., member of the faculty of Bowdoin College located in the state of Maine. Prof. Lockwood had been in Shanghai visiting his parents, Mr. and Mrs. W. W. Lockwood who are connected with the national committee of the Chinese Y. M. C. A., and was on his way back to the United States. Prior to his departure from Shanghai, Prof. Lockwood called at the office of *The Review* and obtained a number of copies of recent issues of the paper which he intended to use in his classwork at Bowdoin. These copies, along with copies of several Chinese-edited magazines, including the *Nation* (no longer published), Prof. Lockwood placed in his trunk. When Prof. Lockwood landed at Nagasaki from the "Shanghai Maru" he left his trunk which also contained some Chinese curios with the customs authorities. He then went out to see the town. According to the report wired to Shanghai and published in the local Japanese organ, *Shanghai Mainichi* the Japanese police became suspicious of the trunk which Mr. Lockwood had left with the customs, so they forced the lock, and there, right on top were the copies of *The Review* and the Chinese magazines. And since these papers contained articles which the Nagasaki police regarded as "anti-Japanese," they followed the usual course of confiscating the papers and placing Mr. Lockwood under surveillance. Whether they confiscated the curios as also being "anti-Japanese" was not stated; as a matter of fact the report in the *Mainichi* denied there were any curios in the trunk, which appeared strange as the dozen or so copies of *The Review* obviously could not have filled the trunk, which the Nagasaki police report described as "mysterious in appearance, two feet in length, three feet in breadth and one foot in thickness." At any rate the Nagasaki guardians of "dangerous thoughts" did their duty and, we hope, were fittingly rewarded by their superiors for their watchfulness. As a matter of fact *The Review* never has been banned in Japan, despite the fact it does occasionally publish articles to which the Japanese "thought guardians" might take exception. There have been a few cases where certain copies of the paper have been withheld from delivery to Japanese schools, but the paper never has been banned from

circulation in Nippon, the obvious reason being that some 200 leading Japanese officials and business leaders who subscribe for the paper find it a useful source of information on conditions in China and the Orient generally. The action of the Nagasaki police in forcing the lock of Prof. Lockwood's trunk is the second incident of the kind which has been reported recently. The other victim was Lord Marley of the Anti-War Congress. When he arrived in Kobe he left his trunk in bond at the customs house, intending to bring it back to Shanghai with him. When he returned to the boat he found the trunk had been broken open and copies of the works of Voltaire, Erasmus and Descartes and some French novels had been abstracted, these also apparently being classed as "anti-Japanese."

NEUTRAL ZONE BECOMES HOT-BED OF JAPANESE INSTIGATED BANDITRY

THE so-called "neutral" or buffer zone ranging from 100 to 150 miles in width and about 200 miles long extending southward from the Great Wall to the environs of Peiping and Tientsin, has become a hot-bed of banditry. The zone was created as a result of the Tangku truce arrangement which terminated hostilities between the Chinese and Japanese forces, the Japanese object in insisting upon the creation of the zone being to compel the Chinese to withdraw their troops away from the Great Wall which the Japanese regard as the southern border of their puppet state of Manchukuo. According to the terms of the truce agreement the Chinese were forbidden to send troops into the zone, the maintenance of peace and order in the area to be entrusted in future to Chinese police. Upon the completion of the evacuation of the Chinese troops from the zone the Japanese agreed to withdraw their forces to the vicinity of the Great Wall.

The weak point in the Tangku truce was China's failure to insist upon the withdrawal of the so-called Manchukuo forces which had accompanied the Japanese army in its advance on Peiping and Tientsin during the course of the hostilities. These Manchukuo forces consisted largely of irregular Chinese troops commanded by renegade Chinese commanders who had gone over to the Japanese. As a result the withdrawal of the regular Chinese troops left the so-called neutral zone practically under the control of the Manchukuo irregulars who looked to the Japanese military for orders, arms and sustenance. Later on when the Chinese military authorities set about to organize their police force in the zone, the Japanese refused to interfere with the Manchukuo irregulars and worse, insisted that large numbers of them be incorporated into the Chinese police establishment. The outcome of the situation as it exists today is that the Chinese have little or no authority in the zone which has become a hot-bed of banditry, gun-running and trade in narcotics.

According to reports in recent issues of the Chinese newspapers both in Peiping and Shanghai, the sudden development of banditry and disorder in the neutral zone has neither been accidental or a natural aftermath of the Sino-Japanese hostilities. It has been due to Japanese instigation with a well-defined motive in view. Knowing that the prosperity and general welfare of both Peiping and Tientsin is largely dependent upon the area embraced in the zone, the Japanese have purposely instigated the disorder as a means of political black-mail directed against the National Government. The *Shun Pao* in commenting on the situation declared that the "return" of this extensive area to Chinese control was in name only and that the real control is still exercised by the Japanese. The Peiping *Morning Post* declared that the irregular forces formerly under Li Chi-chun and Shih Yu-san which were incorporated into the zone police are nothing more than a "rabble" preying on the countryside. In addition there are some 20,000 bandits in the area which were permitted to enter the zone by the Japanese military forces in control of the passes in the Great Wall. The *World Daily News*, another Chinese paper in Peiping, went still further and charged that the Japanese have sent numerous "ronin" or secret agents into the district who are intimidating the Chinese gentry and farmers and are constantly urging them to look to Manchukuo for protection against the bandits. Finally the *Shun Pao* charged that the Japanese action in instigating disorder in this area "can be regarded as a threat to the Chinese Government following the return of T. V. Soong from abroad. It is not a military move, but a diplomatic gesture to compel China to fall into line with Japan's demands."

Helpless to cope with the situation alone recent dispatches from Peiping stated that the Chinese authorities have sent representatives to Changchun with a request for permission to send troops into the zone in order to drive out the bandits. The latest on the subject was a *Reuter* dispatch from Peiping stating the Japanese had agreed to the request "in principle" but the number of Chinese troops to be sent remains to be determined. However, the real attitude of the Japanese military was disclosed in an official *Rengo* dispatch from Tientsin on Sept. 7 stating that the Japanese Kwantung army authorities "were taking a serious view of the situation and were opposed to the sending of a large Chinese force into the zone as being contrary to the terms of the Tangku truce. The Japanese military spokesman also suggested that the suppression of the bandits might be entrusted to the Japanese alone or to a joint Chinese-Japanese military force.

In the meantime the situation is rapidly becoming chaotic. One Chinese magistrate sent into the district was kidnapped and still is held by the bandits, while others have been unable to function due to their inability to obtain the support of the police forces which look to the Japanese, rather than the Chinese for their orders. A dispatch from Peiping (*Shun Pao*) stated that bandits numbering more than 1,000 in the Shihmentsai area had demanded $100,000 from the chamber of commerce at Chinwantao, otherwise the place would be looted. And to make the situation worse the Japanese have refused to relinquish control of the various passes in the Great Wall; are still maintaining a garrison at Shanhaikwan and still have troops at Miyun, a short distnce north of Peiping. The Peiping *Morning Post* stated that the Japanese troops still make daily visits to the Tsunhua area,

north of Peiping, which the Japanese military had agreed to evacuate. Also it was charged that Japanese "ronin" visit the farmers and compel them to pay from $50 to $175 for protection against the bandit gangs. The *China Times* stated that the Chinese had been compelled to discontinue work at the Liukiang and Changchen coal mines near Chinwantao because of the banditry in the district. Also it was charged that the Japanese troops are continuing to occupy Tangshan where general lawlessness prevails due to the presence of Manchukuo "irregulars" in the area. The *Sin Wan Pao* declared (August 30) that the Chinese are unable to exercise any control and the magistrates cannot issue any orders except with the approval of the Japanese. The Chinese magistrate sent to Hsinlung was compelled to return to Malanku because the Japanese claim Hsinlung is Manchukuo territory ....The authorities are helpless....The magistrate at Luanchow who was surrounded by bandits fled to Changkechuang where he was again surrounded and is still held a prisoner.

CHAHAR STILL DANGER SPOT

The complicated politics of Chahar province which was taken over by General Sung Chieh-yuan, following the withdrawal of the Christian General, Feng Yu-hsiang, also constitutes a danger zone, according to reports in the Chinese press. Two Chinese generals, Fang Chen-wu and Chi Hung-chang have refused to surrender to the Nanking commander, Sung Chieh-yuan and allegedly are still insisting upon a continuance of the anti-Japanese warfare. Further complications also have been added by General Tang Yu-ling, former commander in Jehol, who has "gone over" to Manchukuo and according to reports in the Japanese newspapers has marched into northern Chahar with 20,000 men. Dispatches from Canton through the *Central Press* allege there are more than 100,000 troops in Chahar which refuse to be disarmed by the Government forces and insist upon continuing the anti-Japanese resistence.

Also there appears to be complications at Peiping where General Pao Yu-lin, former subordinate of Marshal Chang Hsueh-liang, who, according to a *Reuter* dispatch on September 11 has refused to relinquish his post as Chief of police in favor of an appointee of General Huang Fu, head of the Peiping Political Committee. In the meantime Huang Fu is remaining in Shanghai for the purpose of obtaining funds for his administration. According to dispatches from foreign sources in Peiping on Tuesday of this week General Huang Fu has demanded the resignation of Pao Yu-lin, otherwise he refuses to return to his post at Peiping. It was claimed that the crisis over the appointment of a new mayor in Peiping constitutes a test of strength between the recently appointed officials and the Northeastern political group formerly controlled by Marshal Chang Hsueh-liang. The Chinese papers charged that a large morphine factory which recently was raided in Peiping, was controlled by the former police authorities. The factory, allegedly was started and controlled for a long time by the late Chang Chung-chang, but after his murder in Shantung, it was taken over and operated by other highly-placed individuals closely associated with the northeastern military group.

That the chaotic situation in north China is having a serious reaction in business circles was indicated in a *Rengo* dispatch from Tientsin on September 12 stating that cargo loadings on Japanese boats had decreased from 117,000 to 60,000 tons in the first half of the present year.

Osaka Businessmen Fear to Invest in Manchuria Due to Increasing Banditry and Disorder

DURING August a large number of Japanese industrialists, chiefly from the Osaka district, journeyed to Dairen where they visited an exposition of Japanese-Manchurian products and attended a Japan-Manchukuo business conference, the object being to stimulate trade between Japan and the puppet state and, incidentally, interest Japanese manufacturers and businessmen in establishing factories in the territory now dominated by the Imperial Japanese Army. After viewing the exhibit and attending the conferences which were addressed by Kwantung army officers and officials of the South Manchuria Railway, the businessmen delegates then toured Manchuria on free passes provided by the S. M. R., while a few of the more favored delegates were provided with free seats in the airplanes which the Japanese army operates between Changchun and Chengteh, thus providing an opportunity for inspecting conditions in Jehol province.

Upon their return to Japan during the last week in August several of the prominent Japanese businessmen were interviewed by the Osaka newspapers on the subject of investments in Manchukuo. Dr. Matsuichiro Takayanagi, Director of the Osaka Chamber of Commerce, according to a report in the *Osaka Mainichi* declared that large scale investments would be "too risky" because of the uncertain peace conditions. However, he thought that small-scale investments in such enterprises as hat, hosiery and shoe factories or toilet goods enterprises might pay providing they were on a small scale and were located in places where they could be protected. "Before my departure from Osaka I was asked by Osaka businessmen to investigate the prospects for investment. This means the businessmen are still uneasy about peace conditions and hesitate to make investments, particularly in large blocks." A further element causing Japanese businessmen to hesitate to invest in Manchuria, according to Dr. Takayanagi, is the tendency of the Manchukuo Government, under the dictation of the military authorities, to monopolize such industries as coal, iron, gold and the light metal enterprises, leaving only the smaller lines for private enterprise. Hajime Seki, Mayor of Osaka, who also made an inspection trip through Manchuria, likewise lacked enthusiasm regarding the security of investments. In an interview, also published in the *Mainichi*, he said that "Manchuria and Mongolia are eager for Japanese investors. I think, however, that economic exploitation there is still premature, except for merchandising activities. I learned various things on my tour but I cannot tell about them in a few words!"

A further element which has caused apprehension in Japan regarding future stability in Manchukuo were statements widely circulated in Japan by members of the various "military" colonies composed of reservists which have been established in Manchuria since the Japanese occupation. According to a brief report in the *Japan Chronicle* and more extensive reports in the Japanese language newspapers serious dissension has developed among these "armed-settlers" because of the difficulties they have encountered in Manchuria. The chief difficulty, according to the

JAPAN'S "RUBBER-STAMP" OR PUPPET CABINET IN MANCHUKUO

This picture, reproduced from the San Francisco *Chronicle* for July 30 shows practically all of the leading Chinese "traitors" who for various reasons have associated themselves with the Japanese in the administration of Manchukuo. They are all members of what the *Chronicle* called Japan's "Rubber-Stamp" Cabinet at Changchun. Those in the picture are, (left to right) Chang Yen-ching, Minister of Industry; Hsieh Chieh-shih, Foreign Minister; Tsang Shih-yi, Civil Affairs; Cheng Hsiao-hsu, Premier and Education; Sun Chi-chang, Vice-Minister of Finance; Chang Ching-hui, Minister of Defence; Ting Chien-hsu, Communications; Feng Han-ching, Justice; Hsi Chia, Finance Minister is not in the picture. Below is Henry Pu-yi, Chief Executive and formerly "Boy Emperor" of China, who is described as a virtual prisoner of the Japanese military. Cheng Hsiao-hsu, the 73-year old prime minister is described as an idealist and dreamer who hopes to re-establish Manchu rule over all China. The remainder are either politicians interested in "squeeze" or in holding their jobs. Nanking recently ordered the arrest of several of these men on charges of sedition.

report, has been the banditry situation which has necessitated such strict vigilance on the part of the settlers that serious dissatisfaction with the management developed. One settler who returned to Japan claimed that numerous appeals had been sent to Japan for relief, but the appeals for some reason had been suppressed by the authorities.

Additional evidence from a neutral source pointing to the reason for the increasing banditry and disorder in Manchuria was provided through a series of articles written by Albin E. Johnson, an American writer who spent considerable time in Manchuria during July. In the course of one of Mr. Johnson's articles which appeared in the *San Francisco Chronicle* on July 30 appeared the following, "The writer has just completed a criss-cross tour of Manchuria—from Antung on the Korean frontier to the Russian city of Harbin; from Hsinking to Chinchou; from Mongolian Chengteh (capital of Jehol) to Mukden and Fushun. In every district the Japanese military is the dominant force. In every locality, beneath the surface, is a deep-seated resentment against the invaders. This antipathy is not based upon any real grievance against excesses of the Japanese. In reality the military machine has greatly improved the situation materially and socially wherever it has established its rule. It is a centuries-old hatred of the Chinese for their Japanese neighbors—a hatred that is intensified by an unjustified superiority complex. Added to this is a deep-seated distrust of the motives behind Japan's action. Even if the Japanese should keep faith with the inhabitants of Manchuria and turn the government completely over to them, it is doubtful if the rank and file of the Chinese would be grateful. In establishing 'law and order' in Manchukuo the Japanese still are confronted with almost insuperable obstacles. Banditry is an institution which exists in various forms. Today the total number of bandits, estimated at 260,000 after the Mukden occupation, has been reduced to between 50,000 and 75,000. The activities of these people which operate in groups of from ten to 500, are sporadic. They are a social as well as military problem. The Japanese army of occupation now has about 50,000 soldiers available for bandit chasing. The remainder are needed to garrison Mukden, Chinchou, Jehol city, Harbin, Hsinking, Kirin, Tsitsi-

NEWSPAPER HEADLINES TELL STORY OF MANCHURIAN DISORDER

ORPHAN GIRL, 17, HELD CAPTIVE BY BANDITS

Fleet Will Move Against Bandits In Manchoukuo

Will Also Patrol Wide Area Along Ussuri River; Raid Victims Are Identified

CIRCUS SHOOTING SHOT JAPANESE

10 Cavalrymen Wounded

MANCHURIA BANDITS

REPORTS FROM JAPANESE CONSULATES IN MANCHUKUO

PROGRESS TOWARDS EXTERMINATIONS

Volunteer Army Meets Japanese At Tungning

TRAINS WRECKED IN MANCHUKUO

JAPANESE SLAIN: PASSENGERS CARRIED OFF BY BANDITS

SURPRISE ATTACKS

BANDITS ATTACK GARRISON

Japanese Repulse Move After Heavy Fighting

Find Dead Soldiers

BANDITS GRAB SON OF HARBIN HOTEL OWNER

Tokyo Says Order Now Restored In Manchuria

Bullet Riddled Body Of Yamaguchi Found

BANDITS' JAPANESE VICTIMS

Two Men Injured In Bandit Fight

Brigands Suffer Severe Losses In Three Hour Battle With Japanese Guard Troops

TROOPS KILL BANDIT CHIEF

Chang Tung and 10 Henchmen Are Shot Down by Japanese Soldiers

Bandits Attack Camps In Chosen

Lumber Yards Are Victims Of Marauders For Two Days

More Japanese Policemen to Guard Hinterland

MANCHUKUO BANDITS KILL MITSUI OFFICIAL IN HARBIN

Wife of Japanese Attacked on Way Home from Fishing Saved by White Russian

Aug 26

Hulin Captured After Hot Fight

Manchukuo-Japan Force Bombard Volunteers South Of Jaoho

4 Soldiers Killed In Bandit Fight

Brigands Believed Getting Arms From Ships Near Yalu River Mouth

ASKING RANSOM OF Y80,000

Friend Receives Letter From Captors of Japanese Engineer

Chinese Communists Sneak Into Manchuria

MANCHUKUO PUSHING ANTI-BANDIT DRIVE ALONG THE SUNGARI

Seven Gunboats in Campaign Reach Spot Near Tunganchen, Dislodging 200 Outlaws

VANGUARD CROSSES MULING

Changchun Government Commences Extensive Investigation of Border Conditions

LUMBER YARDS ARE RAIDED

BANDITS WOUND 13; PEACE IS REPORTED

600 Efficiently Armed Manchukuo Brigands Sweep Down on Japanese Army Truck

ROUTED SOON AFTERWARD

Kwantung Force Commander Asserts Public Order Now Re-established in Jehol

Bandits Menace Jehol Once More

Group Flying Japanese Flag Kidnaps 100 Road Workers; Old Regime Blamed

Despite re-assuring statements of Japanese consular and military officialdom in Manchuria, the English-language press of the Far East tells the real story of increasing Manchurian banditry and disorder in the day-to-day news reports. These headlines were clipped from the various newspapers, chiefly those published in Japan, between August 6 and the first week in September. The headlines reproduced on this and the following page constitute a continuation of a similar record published in the issues of *The Review* on July 8, 15, 29 and August 19.

har and other strategic points. Keeping the railways and main highways clear and preventing the 'irregulars' from coalescing into formidable groups is about the extent of their activity at the present time. Eliminating the small groups is both costly and dangerous, because of their mobility and superior knowledge of the country over which they operate. With the kaoliang season at hand it is also impracticable. Bandits in the kaoliang are like rabbits in a cornfield."

Mr. Johnson stated that another formidable obstacle to the establishment of a solid political structure was based on the fact that few of the Chinese officials who are cooperating with the Japanese in the Manchukuo administration are of any real value. The chief executive Henry Pu-yi is a 'rubber-stamp'—a virtual prisoner. Cheng Hsiao-hsu, 73-year-old Prime Minister, is an idealist and dreamer who believes the creation of an independent Manchukuo will be the first step to the restoration of Manchu rule over all China. Hsieh Chieh-shih, Foreign Minister, is a conventional Chinese politician, who is chiefly interested in holding his job with the Japanese. General Chang Hai-peng, governor of Jehol, is an old-line militarist, who now denounces the 'war-lords, whose cause he formerly espoused. While some of the younger Chinese who are working with the Japanese are apparently sincere and would like to see Manchuria peaceful and prosperous, "they are not at all certain that their new Japanese overlords will not be as grasping, although in a different way, as the Chinese warlords which they displaced."

When it comes to the matter of presenting a word-picture of actual conditions now prevailing in Manchuria, the observer who seriously tries to present an unbiased report is presented with a baffling problem. For example the writer of these paragraphs has before him no less than 123 separate clippings, chiefly from Japanese newspapers and news-service reports, dealing with banditry incidents between August 6 and the first week in September. Some of these reports present curious contradictions in the official statements of Japanese officials. For example the Tokyo Foreign Office on September 1 issued a report on conditions in Manchuria which had been compiled by Japanese consular officials in various parts of Manchukuo. This report started out by repeating the familiar statement, "there has been a remarkable decrease in the number of bandits and a corresponding decrease in brigandage. Security has practically been restored to the districts traversed by the various railway lines." This report, however, was caused to appear ridiculous shortly afterward by headines in all the Japanese newspapers telling of two trains which had been wrecked by bandits with consequent killings of Japanese passengers and the kidnapping of Chinese passengers. The Japanese consular report was issued to the Tokyo newspapers on Sept. 1. On the preceding day there arrived in Tokyo, Lt. General Matsuki, who had commanded the Japanese forces in Heilungkiang province for several months. In an official report to War Minister Araki, published in the Tokyo newspapers on Aug. 29, Gen. Matsuki reported that his detachment had fought no less than 264 engagements with "bandits" or anti-Manchukuo forces while he was in command of the Imperial forces in North Manchuria.

After several foreigners had been wounded by bandits on the Harbin golf course and numerous complaints had been filed with the Japanese and Manchukuo authorities, the Japanese authorities in Harbin finally supplied a special guard of white Russians to protect golf players. This picture shows George C. Hanson, (on right) American Consul General at Harbin being protected by five white Russian special police attached to the Harbin Bureau of Public Safety.

There also is vast differences in the figures regarding the actual number of bandits in Manchuria, which are issued to the press by the different branches of the Japanese Government which are concerned with Manchurian affairs. Mr. Johnson the American writer, whose report was referred to in the foregoing, stated that the number of bandits now operating in Manchuria had been reduced from 260,000 when the Japanese occupied the country to a present number of 50,000 or 75,000. These figures apparently had been given to Mr. Johnson by the Japanese military authorities at Changchun. But on September 5 the official Japanese *Rengo* service reported in a dispatch from Changchun that the number of bandits in Manchuria had been reduced from 210,000 to about 100,000. This report was based on a statement of a spokesman of the Japanese Kwantung army, who said further that all "politically-colored" outlaws had been eliminated, but here again there was glaring inconsistency in the Japanese statement for another report from Japanese military circles issued almost simultaneously charged that the recent attempt to bomb the American and British consulates in Mukden had been by agents sent into the country by Marshal Chang Hsueh-liang, who left China many months ago and is now residing in Italy.

A complete summary of the various incidents is obviously impossible in the space here available. The *Japan Advertiser*, American paper in

MANCHURIAN BANDITRY AND RUSSO-JAPANESE ANIMOSITIES ALONG THE BORDER

...URDAY, AUGUST 19, 1933

Anti-Soviet Violence Foreseen As Armed 'Patriots' Sail North

SOVIET RAIDS ON MANCHOUKUO

Drastic Action to be Taken Against Reds

THE MANCHU BANDITS

MANY KILLED IN CLASHES WITH JAPANESE

SPY HUNT UP IN MANCHUKUO

Two Catholic Missionaries, Virtually Anonymous, Are Suspect

Japanese And Koreans Kill 200 Volunteers

Small Band Repulse Attack Of 700 Irregulars

Emboldened Bandits Defy Puppet State At Harbin

Kidnappers Carrying Out Raids In Daylight All Round City, Abducting Or Murdering Victims

Land And River Forces Launch Drive In Effort To Clear Up Brigands; Major Battle Continues

Gruesome Find Shocks Manchuli

ANTI-MANCHOUKUO FORCES ACTIVE

Villages in Harbin District Captured

FIERCE BATTLE WITH BANDITS MANCHOUKUO FORCES PUSHING ON

Soviets Counter Reports of Frontier Raids With Attack on Japanese and Manchurians

Gunboats Active

PEACE CLAIMS MADE BUT BANDITRY RIFE

North Manchukuo Expedition Against Outlaws Is Said to Have Been Successful

TWO TRAINS ARE WRECKED

Japanese Soldiers Surprise Brigands at Height of All-Night Wedding Feast

KIDNAPPED BRITONS MAY BE FREED SOON

Northern Bandits Plan Firing Timber Yards

FIVE JAPANESE DEAD AS BANDITRY FLARES AGAIN IN MANCHURIA

Four Japanese Killed, Five Wounded, in Fierce Fight at Village Near Antung

ANOTHER BAND PURSUED

Renewed Activity of Outlaws in Jehol Province Causing Concern at Changchun

MISSIONARY IS MISSING

SOVIET FORTS REPORTED ON NORTH BANK OF AMUR

Japan Said to Be Paying Attention Because of Responsibility to Defend Manchukuo

RESCUED FROM BANDITS

70-DAY CAPTIVITY AMONG CHINESE PIRATES

Outlaws Active

One Nippon Policeman Killed Fighting Bandits

GUNBOAT ON USSURI IN WAR ON OUTLAWS

Japanese Manchukuo Force Opens Offensive Against 10,000 Bandits at Hulin

2 KIDNAPPED IDENTIFIED

...stone in

ALLEGED MANCHURIAN RED IS HELD AT SHANHAIKWAN

Mukden Hears Moscow-Trained Chinese Communists Are Trying to Disturb Manchukuo

SIX POLICEMEN DEAD IN OUTLAW ASSAULT

Combined Force of Manchukuo and Japanese Speed to Scene of Raid at Talatzu

TWO JAPANESE RELEASED

All Preparations Completed for Big Drive on Outlaws Northeast of Dolonnor

Anti-Manchukuo Force Seen Near Soviet Bord

Detachment Of 300 Capt. Two Hostile Villages

Outlaws at Large

Wounded Heroes Honoured

Smuggles Firearms Into Manchuria

A visual record of continuing banditry and disorder and Russo-Japanese animosities in the Manchurian "paradise." The newspaper headlines on this page, reproduced from English-language newspapers in the Far East, but chiefly from papers published in Japan, were clipped from the issues of papers between August 6 and the first week in September. These headlines and those on the preceding page constitute a continuation of a similar record published in the issues of *The Review* on July 8, 15 and 29 and also on August 19.

Tokyo, reported in its issue of August 30 under a headline reading, "Peace Claims Made but Banditry Rife," that armed bandits had wrecked two trains, killed seven persons, including four Japanese, injured many more and had kidnapped 30 others. Both these incidents occurred on the Kirin-Hailung line, the bandit gangs involved numbering from 200 to 500. The same issue of the *Advertiser* was another *Rengo* message from Changchun stating that three Japanese railway guards were killed and two Manchukuo policemen wounded in a battle near the town of Shuanghochen, near Kirin city. The *Japan Times* (Tokyo) published a report from Mukden by the *Nippon Dempo* service, dated August 25 stating that a band of 300 armed bandits had attacked a Manchukuo battallion near the border of Tangfeng prefecture and had killed the commander of the detachment and wounded more than 10 soldiers. Another band of 600 bandits had attacked a Japanese commissary motor car but was driven off without casualties on the Japanese side. It was claimed that 60 bandits were killed. On the same day the Enomoto unit of the Japanese Kwantung army was attacked on the Supingkai-Taonan railway and two Japanese soldiers seriously wounded. In the face of these reports, however, Lt. General Giichi Nishi, a divisional commander, had arrived in Changchun to report to Takashi Hishikari the new Commander in Chief of the Japanese forces and concurrently Ambassador to Manchukuo, and in a newspaper interview declared "peace and order are being rapidly restored to Manchuria." The *Nippon Dempo* news-service, in an earlier dispatch from Changchun on August 18 reported that there had been a renewal of bandit activities in Jehol province where a force of 600 bandits, flying the Japanese flag, had attacked the town of Shuangmiaotzu, near Ling-yuan. More than 100 laborers employed by a Japanese company, the Toa Public Works, were carried off by the outlaws. The report stated that another band of 2,000 outlaws had appeared in the area a few days previously but had been driven off. Four Japanese soldiers were killed and four others wounded in another affray with bandits near Antung also on August 18. The Japanese troopers belonged to the Miyamoto and Mitsukawa detachments of the Kwantung army.

Then there have been several recent incidents. A Harbin report through *Reuters* service on September 9 reported a serious battle between the Japanese forces and 2,000 bandits at Tungning resulting in one Japanese soldier killed and another wounded and 55 casualties on the Chinese side. The Japanese report alleged the bandits were armed with rifles manufactured in Soviet Russia. On the preceding day another bandit gang numbering 400 derailed a Japanese armored train at Imienpo station on the Chinese Eastern Railway. A further report told of bandits attacking a truck carrying Japanese and Korean carpenters near Yilankou. One Japanese was killed while six other Japanese and eight Koreans were wounded.

As the situation has become worse the Japanese authorities have attempted to place responsibility on outside interests, either Marshal Chang Hsueh-liang who has not been in Manchuria for practically three years, or the Soviets. Long official reports from Mukden on August 31, referring to bandit attacks on foreigners, charged that agents of Chang Hsueh-liang were directly responsible. Which prompted the *Japan Chronicle*, British paper at Kobe to state editorially, "The more the bandits are exterminated, the more they seem to flourish."

In addition to the bandit attacks on the Japanese or Manchukuo forces there have been the reports of further kidnappings of foreigners. Simeon Kaspe, 24-year-old son of the proprietor of Harbin's leading Moderne Hotel, was kidnapped on August 25 while riding in a motor car on one of the city's busiest streets. The three British ship-officers who were kidnapped last spring at Newchwang, were released on September 8 after payment of a "small" ransom by the Japanese-Manchukuo authorities. Hsieh Chieh-shih, the Manchukuo foreign Minister, in a *Rengo* interview circulated following the release of the British officers, charged that the foreign residents of Manchuria were themselves responsible for these kidnappings due to their venturing outside of the areas guarded by the Japanese troops. He stated that in future no ransoms would be paid hence the foreigners would have to look after themselves. No further information has been published regarding the American missionary Nelson who also was captured by bandits last spring and still is being held by a gang near Mukden. The last report about the middle of August stated he was in failing health and was not expected to live.

Thus the tragedy of the Imperial Japanese Army's attempt to grab Chinese territory continues to develop toward a climax, the seriousness of which no one would attempt to forecast. Recently General Araki announced that one Japanese division is to be withdrawn from Manchuria, but along with this was another report that several thousand Japanese policemen are to be sent to Manchukuo and that so-called "police-boxes" are to be established all over the country. The new military budget which General Araki has prepared for submission to the Imperial Diet this fall contains an item of Yen 180,000,000 covering estimated costs of Japanese military activities in Manchuria for next year and this after two years of "pacification" which already has cost the tax-ridden Japanese people well in excess of Yen 500,000,000.

Finally there is the problem of the so-called Manchurian "volunteers" otherwise the Chinese military forces which were in Manchuria at the time of the Japanese occupation or have been sent into the territory by various Chinese interests since that time. General Wang Teh-ling, one of the Chinese commanders in Kirin province who was driven across the border into Siberia by the Japanese forces last year and who returned to China several weeks ago by way of Europe, is now on his way back to Manchuria according to reports from Canton. The Canton political group appointed General Wang a member of their political council and according to recent reports from Canton he has been supplied with funds for further Manchurain adventures. The *Shun Pao* (Shanghai) on September 6 declared that China's only hope for the recovery of the northeastern provinces depended upon the activities of these volunteers which are gradually breaking down Japanese resistence and morale. The paper declared, "If the northeastern provinces are to be restored, the nation must not allow the activities of the volunteers to cease.

In order that the anti-Japanese campaign may be carried out in the northeast, the entire nation must offer the volunteers every possible assistance. The *Sin Wan Pao* on September 5 printed a further report about the so-called "Eastern Chinese Republic" which was referred to previously in these columns (August 12). The report in the *Sin Wan Pao* claimed that the "Republic" which has been created in eastern Kirin by the Chinese volunteer forces, embraces a considerable section of Chinese and Korean territory. Various cities and towns, including Tungning, Hulin, Mishan, Paoching, Ningan and Mulin are controlled by the volunteers who claim to have 120,000 armed men including a considerable forces of Koreans and Mongolians, the leader being Kuo Tao-fu, a Mongolian who is opposed to Japanese rule. The *Sin Wan Pao* also published a report on September 8 stating that agents of a powerful Chinese secret society known as the "Tsai-Li-Chiao" had also become active in Manchuria, its followers including thousands of Chinese residents in Manchuria and many more thousands in China proper. The chief object of the organization, according to the report, is to eliminate the Manchus who have been cooperating with the Japanese in Manchuria.

The following uncensored report regarding activities in North Manchuria was sent to *The Review* by a correspondent in Changchun on Aug 31,

In spite of the efforts of the Japanese army in North Manchuria to put an end to the existence of the Old Kirin Chinese Troops, the latter have managed to retain under their control some territory in many different places in the eastern section of the country. Now and then these Chinese troops make raids on towns and villages occupied by the Japanese and the Manchukuo garrisons. They were especially active during the month of August. Operating in small detachments, on the principle of guerilla war, they attacked Mishan, a large centre in eastern Manchuria, and other places in that part of the country. One of the detachments on August 17 attacked the Japanese garrison at Shanshi, a station located half way between Harbin and Suifenhou (Porgranichnaya). Armed Korean colonists in the place took part in the fighting, on the Japanese side. After the fighting had been going on for about six hours a Japanese detachment with two machine guns came to reinforce the Japanese garrison and the Korean colonists. Towards evening the Chinese, who had made several unsuccesful attacks during the day, were forced to leave the battle field; leaving about two hundred dead and wounded as they faded away in the dusk.

Another detachment of the Old Kirin forces attacked on August 15 the settlement of the Japanese armed colonists near the town of Tsiamusi. In the short but severe fighting that ensued 10 Chinese and two Japanese were killed. Many other small skirmishes were reported in different localities.

The "Hunhutze" bandits in close proximity to Harbin have become unprecedentedly active. Most daring abductions were recently made in broad day-light in the outskirts and the suburbs of the city. According to the press reports about 200 people, Russian and Chinese, rich and poor, were abducted during the past two months. Some of them have been released on paying ransom by their friends and relatives; but many are still kept by the Hunhutze, while other men are abducted almost every day. They fall a prey to the Hunhutze when they go hunting or fishing in the neighborhood of the city or bathing to the Sungari river. Even the Suburbs of the city are unsafe. On the night of Aug. 21 four persons, two men and their wives, returning home about ten o'clock in the evening were surrounded by six armed Hunhutze, who commanded them to walk in a certain direction. The men attempted to resist and the women screamed. The hunhutze shot all four and fled before the policemen on duty, attracted by the screams and shooting came to the spot.

A couple of days ago Wan-shi-chan, owner of many ships plying on the Sungari, one of the richest Chinese business men of Harbin, was kidnapped in the daytime while visiting his sister. The hunhutze demanded $1,000,000 ransom.

The other day a Japanese citizen, who offered resistance to the hunhutze while being abducted was shot dead on the bank of the Sungari, where he had gone with his wife.

The police of Harbin made several attempts to clear the country around the city of Hunhutze, but in vain. The bandits are apparently so numerous that the police are unable to oppose them. And the terrorized population of Harbin is wondering when decisive and effective measures will be taken by the authorities for exterminating the banditry and safeguard the lines and properties of the population. Many people who are spending the summer time at seaside resorts are reported to be afraid to return to the city for fear of being kidnapped.

The Problem of Chinese Policy Toward Japan

VARIOUS Chinese officials, including Wang Ching-wei, head of the Executive Yuan; Sun Fo, head of the Legislative Yuan, and T. V. Soong, Minister of Finance, who participated in the recent conferences with Gen. Chiang Kai-shek at Kuling have declared there is to be no alteration in the National Government's policy toward Japan and on the other hand have announced that in future chief interest will be centered upon domestic rehabilitation, a policy which the *Peiping Morning Post* designated as "swallowing our pride and burying our heads in hard work."

While there has been no clear-cut announcement of the central government's intentions with respect to future policy, the subject has provided a chief source of discussion in the leading Chinese papers, the unanimous opinion being that there can be no reconciliation between the two countries so long as Japan maintains her present position on the Manchurian issue. This view has been voiced by the *China Times, Shun Pao, Peiping Morning Post, Peiping Hua Pei Jih Pao* and other organs, the consensus of opinion being that any move on China's part to recognize Manchukuo "would completely ruin China's status in the family of nations."

However, despite the declarations in the Chinese press and statements of Nanking officialdom that there is to be no change, practically all of the Chinese papers have printed reports that Chiang Tso-ping, Chinese Minister to Tokyo, is shortly planning to return to his post, which he left during the course of the Japanese drive into north China last spring. Also there have been numerous reports in the Japanese newspapers alleging that the so-called Chekiang financial group at Shanghai has demanded a resumption of commercial relations between China and Japan. The Osaka *Mainchi* on August 26 published a report based on the recent trip of Chang Kia-ngau, governor of the Bank of China to Japan, claiming that this influential financier had exchanged views with Japanese business leaders regarding a Sino-Japanese "economic hand-clasp." The report in the Japanese newspapers even went so far as to declare that the Chekiang group had threatened to discontinue its support of the Nanking Government unless that government altered its policy toward Japan in favor of economic cooperation. Mr. Chang, according to reports in the Chinese newspapers, has denied these allegations but despite this the Japanese papers have continued to

emphasize that certain Chinese financial interests at Shanghai which have heavy investments in Sino-Japanese commercial activities, are determined to force a resumption of trade despite the Government's and people's attitude on the Manchurian issue.

In the meantime the Japanese Government has further strengthened its military position in the north by annexing a further extensive section of Chinese territory to Manchukuo. This territory, known as the Hsinglung district, comprises an area about 50 miles wide and about 150 miles long, embracing the northern tier of counties of Hopei province which extend from the Kupeikow Pass(north of Peiping) to the Gulf of Chihli. The Chinese authorities in Peiping assumed all along that this area was included in the so-called demilitarized zone between Peiping-Tientsin and the Great Wall. During the middle of August the Peiping authorities, upon instructions from Nanking appointed Li Jung as magistrate of the Hsinglung district, the installment ceremony being held at Malanhsi on August 14. This brought an immediate protest on the part of the Japanese that this Chinese action constituted a violation of the Tangku truce arrangement, hence Japanese troops were sent into the area and Magistrate Li Jung was compelled to beat a hasty retreat to Peiping. The Japanese also have refused to pay any attention to the Chinese demands for permission to re-established their administration in the walled city of Shanhaikwan or to reopen their Maritime customs house in this important city which marks the dividing line between Manchukuo and north China. As a result of this situation millions of dollars worth of Japanese goods are flowing into Tientsin and other north China cities without paying any Chinese customs dues.

That the Japanese Government has no intention of altering its policy toward China has been amply indicated in recent reports in the Japanese press, the following excerpts from the *Hochi* being typical of the prevailing opinion,

"It is no exaggeration to say that the future turn of events—whether the present enmity will persist long or whether things will move in the direction of friendship and co-operation—is largely decisive of the future destiny of Asia and greatly affects the world situation. From this point of view, it is impossible to ignore the importance of the recent Lushan Conference. At this conference important matters of China's domestic and foreign administration were discussed and decided, and there is much ground for believing that the participation of Huang Fu, Chairman of the Peiping Political Council, some time after it was called, had the effect of modifying considerably the slogan of prolonged resistance to Japan which had been adopted. There is, of course, no indication that the policy of Sino-Japanese direct negotiations or that of economic rapproachement between the two countries in which Huang Fu has always believed, was adopted at the conference, but it seems probable that the leaders of the Nanking Government realised that the continuance of the active resistance to Japan is inimical not only to Chinese interests but to General Chiang Kai-shek's position in Chinese politics and that they concluded that nothing could be gained by pursuit of too undisguised a policy of antagonism towards Japan.

"In the meantime the Chekiang financial groups, upon whose financial support the Nanking Government relies, have come to show discontent with the policy which that Government has hitherto followed in its dealings with Japan. This changing sentiment of the Chekiang interests is likely to exert influences, direct or indirect, on the future policy of the Nanking Government. In the present-day international community, it is hazardous for any country to adopt a policy of economic boycott. It is a double-edged blade which injures its wielder as well as the party against which it is directed. The Sino-Japanese economic rupture, which has lasted long already, cannot but prove a crippling blow to the Chekiang financial interests which are, so to speak, the pivot of China's general industry and her economic contact with Japan. It is, therefore, no wonder that they should now come to raise voices of complaint against the policy of the Nanking Government towards Japan.

"T. V. Soong figures as one disturbing factor hence it remains to be seen how the new policy fixed at the Lushan Conference will be influenced by his views. Mr. Soong is extremely anti-Japanese in his political outlook, and he plumes himself on the cotton and wheat loan which he arranged with the American Government. He also flatters himself with the thought that he has succeeded in causing estrangement between Japan and Western Powers. An anti-Japanese leader in such a mood can hardly be expected to swallow whole the new Japan policy mapped out by the three Nanking leaders of General Chiang Kai-shek, Wang Ching-wei and Huang Fu.

"After all is said and done it is safe for Japan to shape her policy towards China on the assumption that China's future attitude does not warrant optimism. It would be unwise for the Japanese people to attach too much importance to ephemeral phenomena which may manifest themselves from time to time in the Chinese political situation. They need not concern themselves much about the acquirement of this concession or that in that country by foreign Powers which have no intimate knowledge of the conditions in China. Japan's over-anxiety about such things would only be exploited by the neighboring Republic to promote her ends in her dealings with this country. While it is inadvisable to be entirely indifferent to China's doings. Japan should ever maintain a calm attitude befitting a great Power, quietly awaiting the right moment which she can profitably act to improve relations with China."

Another important Tokyo paper the *Hokumin*, was more optimistic and expressed the belief that T. V. Soong would be compelled to alter his well known attitude. Commenting on the changing attitude of Nanking officialdom the *Kokumin* said,

"At the outbreak of the Manchurian affair, they did not for a moment entertain the idea of recognising the independence of Manchuria, and this feeling was intensified by the Shanghai affair. After the Jehol campaign, their attitude was somewhat modified. They no longer contended that the independence of Manchuria was an absolutely impossible proposition. They, however, insisted that China's suzerainty over Manchuria should at least be recognised. There was another change in their attitude after the Sino-Japanese truce had been signed in North China. They now show a disposition to keep aloof from the Manchurian issue, saying that it is a matter for future discussion, not an issue to be taken up at present. They behave as though they were altogether oblivious of the problem which they held to be all-important at one time. This attitude is tantamount to their tacit recognition of the independence of Manchuria; they no longer try to gain even nominal suzerainty over Manchuria.

"Such changes in the general situation surrounding China must be obvious to T. V. Soong, and is impossible even for Mr. Soong with his great influence to force his anti-Japanese policy on the Nanking Government in defiance of such objective circumstances. At any rate Japan's military success will prove enough to crush the influence of the anti-Japanese elements in the Nanking Government."

Of direct interest in this connection was the announcement from Tokyo on Sept. 10 that Yotaro Sugimura, former Japanese delegate at Geneva had been dispatched to China by the Japanese Foreign Office for the purpose of explaining Japan's views to Chinese officialdom on various

questions, including the American loan and League cooperation. Mr. Sugimura will travel by way of Manchuria and north China visiting Tientsin and Peiping, Tsinan, Tsingtao, Nanking and Shanghai, following which he will proceed to Canton. That much significance is attached to Sugimura's visit was indicated in a *Rengo* dispatch on August 30 stating definitely that he had been "ordered" to make the inspection trip by Count Uchida, Minister of Foreign Affairs.

To refer again to Chinese views on policy toward Japan as expressed in the Chinese newspapers, the *Shun Pao* declared that Japanese diplomats were now experiencing a busy time in watching the movements of the Chinese Government following the return of T. V. Soong from his trip to America and Europe. Japanese diplomatic activity, in the opinion of the *Shun Pao*, is directed at two major objectives, the frustration of Chinese cooperation with the League and the bringing about of direct negotiations between China and Japan in order to attain Japan's coveted monopolization of China. Continuing, the paper declared,

> "Japan, from her standpoint, has perfect reason to follow this policy. But although the Japanese diplomats have pursued it for a long time they have failed to make China start direct negotiations and they have not succeeded in breaking up the friendly relations between China and the Western Powers. They have however incurred the resentment of the Powers against Japan and have placed their own country practically in an isolated position. Why? Japanese diplomats are known for their cleverness, they must be able to give reasons for this peculiar situation.
>
> "Facts show that all their past failures were because they followed a wrong path in trying to attain their object. If the Japanese want to succeed there is no way except to change their policy, otherwise it will be impossible to talk about Sino-Japanese friendship.
>
> "Japan however seems to ignore the cause for her present position and continues to follow her present path, hoping blindly that she will attain her object by pursuing the said policy. Japan's policy towards China and towards the Powers remains unchanged in spite of all reports to the contrary. When Count Uchida assumed office as Foreign Minister he declared that Japan would maintain her hold on Manchuria even if it ruined Japan. This is the policy which the Japanese Government is now following, in spite of the opposition of its people at home and the condemnation of world public opinion.
>
> "In a nut-shell, Japan is still following her so-called continental policy until she has conquered China. Now the Japanese Government has again openly indicated that Japan will not change her policy towards China. Yet, at the same time, the Japanese Government expresses hope that peace in the Far East will be maintained and friendly relations between China and Japan promoted. These two things cannot go together. So long as Japan maintains her aggressive policy towards this country, there is no hope for permanent peace in the Far East nor can Sino-Japanese relations be improved. Not a single Chinese favors direct Sino-Japanese negotiations nor are any of us ready to recognize Manchuria as Japan's protectorate. The entire Chinese nation is opposed to Japan."

Although there has been no recent definite statement of the National Government's policy toward Japan, there have been some recent developments which may or may not be of significance. Most important was the announcement on Sept. 10 that all high courts of justice thoughout the country had received orders for the arrest and punishment of Chinese officials who have cooperated with Japan in the organization of the puppet state of Manchukuo. Those listed in the order included Cheng Hsiao-hsu, Ting Shih-yuan, Chen Kuo-jui and Fang Yung-chang. In addition to this there have been reports in the Chinese newspapers indicating that Chinese organizations will continue their support of the activities of the so-called "volunteers" which have been harassing the Japanese in Manchuria. Wang Teh-ling, one of the leading volunteer leaders, who has been in Canton has been sent back to Manchuria and there have been further reports that Gen. Ma Chan-shan, hero of the Nonni River campaign may also return to Manchuria and resume his anti-Japanese activities. There seems to be a general realization among the Chinese that the activities of the volunteers constitute China's best bet against Japan because Manchuria is an undoubted weak spot in Japan's defences. According to a *Rengo* dispatch from Tokyo on Sept. 12, Gen. Araki has demanded an appropriation of Yen 180,000,000 for Manchurian military expences, which is a considerable increase over the figures listed in previous estimates.

***

Soong Says U.S. Loan for Economic Purposes Only

T. V. Soong, Chinese Minister of Finance, returned to Shanghai from the Kuling Conference Sept 8. In an interview he said that all details concerning the employment of the proceeds of the U. S. $50,000,000 wheat and cotton loan would be decided by the National Economic Council, the organization of which would be enlarged. President Wang Ching-wei, President Sun Fo and Mr. Soong himself will be appointed members of the Council's Standing Committee. The proceeds of the loan, Mr. Soong said, would be used entirely for reconstruction purposes, more particularly in the development of native cotton and flour industries. Mr. Soong also confirmed that before he left recently for Kuling, he had initiated negotiations for a relief loan of $12,000000 with banking circles in Shanghai.

It was decided at the Kuling conference, he said, to readjust the finances of North China and to make certain changes in the Hopei Provincial Government so that rehabilitation of the war-torn areas may be hastened. Mr. Soong denied that the National Government would be reorganized shortly. The rumor that President Wang Ching-wei would become President of the National Government and that Minister Soong would be promoted to be President of the Executive Yuan was groundless, he said.

No Change in Foreign Policy

Wang Ching-wei, President of the Executive Yuan, in arriving back in Nanking from Kuling Sept. 9 stated that no orientation of foreign policy had been decided on at the Conference. President Wang categorically denied the rumors that a change of foreign policy had been under contemplation as a result of the return of Minister T. V. Soong. With regard to the American cotton and wheat loan, President Wang declared that the proceeds of the loan would be used exclusively for the revival of rural economy and the development of productive enterprises.

General Chiang Kai-shek, according to Mr. Wang, will remain at Kuling for the time being. As Kuling was closely linked up with Kiukiang and Nanchang by telephone and telegraph lines, General Chiang could direct the bandit-suppression operations from Kuling. Tang Yu-jen (Administrative Vice-Minister of Foreign Affairs), who also participated in the Kuling conference, intimated that Chiang Tso-pin, Chinese Minister to Japan, who had been recuperating at Kuling, would shortly return to his post at Tokyo.

It was at first reported that as a result of the Conference, the Ministries of War and the Navy and the Inspectorate-General of Military Training will be incorporated into and placed under the control of the Military Affairs Commission so as to centralize the direction of the national land, naval and air forces. Greater emphasis will be laid on the organization and training of the subordinate Party headquarters.

It was reported also that the future of General Feng Yu-hsiang was discussed at the conference. The

former Kuominchun leader will be offered the choice of two posts, namely, Inspector-General of the Military Forces or National Conservancy Commissioner.

Sun Fo denied in Shanghai Sept. 11 that there was any truth in the report that General Huang Fu would be appointed Minister for Foreign Affairs. He said that the situation in North China needs General Huang's personal attention and duty would not permit him to remain in Nanking.

Particulars regarding the proposed extension of the scope of the National Economic Council were given by Chin Fen, Director of the Preparatory Office for the Council, in the course of the press interview at Nanking Sept. 12. In addition to the existing three departments for highways, water conservancy and public health, a special Economic Research Bureau are to be established; the latter will be composed of three main sections on agriculture, industry and commerce. Bureaus for the study of special problems would also be established as necessity arises according to Mr. Chin.

***

The Trend Towards a Dictatorship in China

The Peiping *Morning Post* comments:—"Beset by internal and external difficulties China is faced with a crisis unprecedented in her long history. The armament race between Japan, the United States and Russia is in full swing and if another world war should break out, there is no doubt that China will suffer the same fate which overtook Belgium during the Great War. In recent months we have called attention time and again to the necessity of the country preparing for the international situation which will arise in 1936 when the London Naval Treaty expires. There are less than three years to go before 1936 comes, but what has the Government done to cope with the inevitable crisis? We view the future with considerable misgivings. In politics practice is more important than theory. If the practial needs of the country demand a parliamentary form of government or a party or personal dictatorship, let any one of these forms of government be established. Those entrusted with the conduct of government should work for the welfare of the people and speak out their minds if they think that the time has come for a change. For this reason we do not wish to criticize Mr. Soong if he prefers a dictatorship to the present form of Government. The trouble with China to-day is not due to the lack of adequate powers on the part of the Government but to the fact that many leaders of the Government are not competent to carry out their duties. If there is one man in the Kuomintang who receives the unqualified support and commands the implicit confidence of all members of the party, the people, it may be safely assumed, will have no objection to the Kuomintang conferring dictatorial powers on that man. The key to the establishment of a personal dictatorship, therefore, lies with the members of the Kuomintang themselves and not with the common people. The people will gladly accept what the Kuomintang members desire. The conference at Kuling indicates that the affairs of this country are in the hands of a few persons. We hope all leaders in the country will give up their opinions and co-operate for the benefit of the country. Otherwise all peace will be disturbed by the god of war."

***

The Necessity for Peace

The Peiping *World Daily News* comments: "Some time ago we pointed out the tendency of the directing power of the Central Government to assume a firmer basis. In foreign relations the Government is seeking a compromise. But the price of this compromise, according to indications of Japanese militarists, would be the recognition of Manchukuo by the Chinese Government and of the superiority of the Japanese economic position in China, together with approval of the exclusion of the open door policy in Manchuria. Will our Government so surrender because of pressure from the enemy? As to Sino-Soviet relations, the Government has so far never paid sufficient attention to them. In the present circumstances co-operation between these two countries seems to be quite impossible. Even if a non-aggression pact with Russia is signed it would not have much effect upon internal conflicts. Internally Mr. Soong and other members of the Government have been advocating the development of national economy. But both production and reconstruction depend upon peace. Is China peaceful to-day? The anti-Communist campaign in Kiangsi, Fukien, Annui, Szechuen, Hupeh and Honan is still going on and it has proved a very difficult task to eradicate the roots of communism from China."

Chekiang Wants Money to Construct Harbor

Chekiang provincials in Shanghai have addressed a joint telegram to the Government leaders at Kuling requesting them to set aside $10,000,000 for the construction of the Sanmenwan Harbor in Chekiang. They declare that with the opening-up of that harbor the fishing trade along the Chekiang coast will be fully developed, yielding a huge income for the Government.

The representatives of Chinese cotton factories in Shanghai have approached the Central Bank of China for a loan of $5,000,000. Shanghai cotton mills are at present experiencing great financial depression as a result of the keen competition of foreign cotton and silk on the Chinese market.

The Nanking Government has received a joint request from the provincial authorities of Kwangtung and Kwangsi that $5,000,000 of the American cotton and wheat loan be approprited for developing industry along the Pearl River Valley and road construction in Kwangsi.

Peng Sho-pei, director of the political department of the Executive Yuan, in an interview at Shanghai, September 8, said: "If China needs material help from outside, it will be only for the economic development of the country. China will do nothing to aggravate the situation, but when the question of sovereignty is concerned, she will uphold her national honor at any price."

General Chiang Kai-shek, recently telegraphed to the various Provincial Governments along the Yangtsze and in the south asking them to send each a representative to Nanchang for a conference on questions of rural relief and equitable distribution of food supplies.

Freight Rates and Taxes Cause Wheat to Be Dear

At a meeting of representatives of the various Ministries and Central Committees concerned, held in Nanking Sept. 8, a report on the stagnation of the native wheat market was made by the deputies specially dispatched to investigate conditions in the different localities. According to these deputies, while there have been abundant harvests in the wheat-growing centers, the present stagnation is due largely to high freight rates and exorbitant taxes, the manipulation of the market by unscrupulous merchants and incidentally, the dumping of foreign wheat and flour.

Chao Shao-yu, Shensi Provincial Commissioner of Reconstruction, in a telegram to the Ministry of Industry, requests that the present market price of cotton be maintained in order to relieve the sufferings of the people of Shensi.

Soviets Offer Air Base in Siberia to U.S.A.?

A recent message from Washington stated that feelers have been put out by the Soviets that the United States might obtain a Siberian air base after diplomatic recognition, but the suggestion fell on deaf ears. The Soviet proposition was that in the event the United States extended unconditional recognition of Soviet Russia, the latter would be willing to provide an air base on the coast or on some island off the maritime provinces.

The Harbin *Times*, a Japanese subsidized newspaper in the Russian language, recently published an article with the following titles:—"Afraid of War; Ceding Concessions; U.S.S.R. Barricading Herself from Japan by a Third Power; Secret Negotiations Between American Consul Hanson and Soviet Consul Slavutsky." It declared that George Hanson, United States Consul-General in Harbin, has been for several months negotiating with M. Slavutsky, Soviet Consul-General, for concessions in the U.S.S.R. Maritime Province for a certain government. The paper says that the negotiations have had results. The article concluded by pointing out that by granting these concessions, the object of the Soviets is to defend the Maritime Province from Japan's advance and create a third power barricade.

An exchange of political prisoners between Soviet Russia and Poland took place on September 6 at the station Kolosovo on the Soviet-Polish frontier.

The "Old Fogies" of Japan Who Are Trying to Rejuvenate the Country

ONE of the hopeful signs in Japan is that so prominent a journal as the *Tokyo Asahi* several days published an editorial to the general effect that the destinies of the country were in the hands of "Old fogies" steeped in the traditions of the past. The *Asahi* used somewhat more polite language, but the idea was that as above expressed. In summarizing the present political situation in the Island Empire, the *Asahi* referred to the "spectacle of a 76-year-old Premier trying to rejuvenate the country with the help of an 80-year-old Finance Minister, a 78-year-old Home Minister, and a 69-year-old Foreign Minister." However the immediately pressing problems befere the present coalition government is the growing radicalism, Communism—or whatever you choose to call it—and the critical state of the country's finances. During the past month the yen has started to sag once more. At the time America went off the gold standard and until a short while ago the yen kept almost perfect step with the Chinese dollar vis-a-vis the U. S. dollar—that is, the yen and dollar were on a practical parity, exchange on Japan from Shanghai having been say Chinese $100 equals to Yen 101 or Yen 102. But of late the yen has sagged so that Chinese $100 equals Yen 108, and as a corollary the value of the yen in American money has weakened. It is announced that the Japanese Finance Office will follow a policy of extreme retrenchment in its adjustment of the budget estimates for the next fiscal year. It intends to reduce the requirements for new enterprises to be started in 1934-5, now aggregating Yen 1,300,000,000, to about Yen 600,000,000. The estimates for the national defense, too, are likely to be cut down to about one-half, according to statements in Japanese newspapers. The total of the new requirements presented to the Finance Office consists chiefly of Yen 650,060,000 for national defense, Yen 180,000,000 for Manchurian Emergency expense, Yen 210,000,000 for civil engineering funds, and Yen 100,000,000 for national bond funds. It is generally considered that the total budget estimate for 1934-35 will be in the neighborhood of Yen 2,030,000,000, made up of the regular annual budget requirements totalling Yen 1,430,000,000 and the new requisitions aggregating Yen 600,000,000. This will be approximately Yen 130.000,000,000 less than the budget of the current fiscal year.

*
**

Premier Saito Says Japan Is Going Through Emergency Period

Following the agreement on the necessity of national unity reached with Mr. Suzuki, president of the Seiyukai, Baron Wakatsuki, president of the Minseito, and Mr. Adachi, president of the National League, Premier Saito met representatives of all parties in the House of Peers Sept. 7. The Premier reminded them that Japan was going through an emergency period both at home and abroad, declaring that the Government was doing everything in its power to act up to the Imperial Rescript issued on March 27, when Japan withdrew from the League of Nations. He said he sought further support and assistance from the Upper House to enable the nation to pull through the emergency period solidly and successfully and also to formulate and execute a national policy to be fixed so as not to be altered in the coming decade at least. After the meeting, the Premier told newspapermen that all parties in the Upper House had acceded to his request. He said he had told the Upper House that he approved many planks in the platform submitted to the Government by the Seiyukai.

Lieutenant-General Araki, Japan's War Minister, called on Mr. Takahashi, the Finance Minister at the latter's official residence in Tokyo Sept. 9. Referring to Japan's attitude towards China, Manchukuo and the Soviet Union, General Araki is stated to have expressed his belief that the stable national policy should be fixed as early as possible, in view of the expiration of the London Treaty in 1936.

The joint conference between the Ministry of Commerce and Industry, the Treasury and the Ministries of War, the Navy and Overseas Affairs, which has been sitting regularly to formulate a national oil policy, has decided that a five-year plan should be devised by the Government to place the oil industry on a stable basis.

A prominent Japanese import and export house announces that there has been a large increase in Japanese import and export during the first eight months of the present year, as compared with the corresponding period of last year. Exports increased greatly in straw braid, machinery, wheat flour, iron goods and toys.

Recent Tokyo telegrams stated that Japanese bonds and securities floated in America had risen in price.

Blood Brotherhood Trial Postponed

Although it has been decided to reject the demand of Nissho Inouye, leader of the Ketsumeidan (Blood Brotherhood), for the removal of the presiding judge, it is now revealed that the Blood Brotherhood trial will not be resumed until late in November. It must await the completion of the trial of the 20 civilians involved in the terrorist outrages on May 15 last year, which is scheduled to open on September 26 and is expected to continue till November. The Blood Brotherhood, besides having Inouye as its leader, comprises 13 other men, all of whom are now charged with being responsible for the assassination of the former Finance Minister and Baron Takuma Dan and for the plot to assassinate a number of other prominent statesmen, politicans and financiers.

Dr. Shumei Okawa and Kosaburo Tachiuana are the two principal figures among the 20 civilians to be tried on September 26 for their connection with the May 15 outrages, while another, Hidezo Toyama, son of the veteran reactionary leader, Mitsuru Toyama, is also to be tried in the same connection, although it was his complicity in a subsequent case of blackmail and projected murder, several months later, that led to his arrest and to the revelation that he too had played a part in the May 15 affair.

When the court martial of the Yokosuka Naval station was opened Sept. 11 the Presiding judge Yamamoto demanded sentences ranging from death to three years' imprisonment for each of the 10 navy members of the party involved in the May 15 incident in Tokyo last year.

Of 58 persons who were rounded up by the Nagasaki police in February last year on suspicion of organizing a Communist movement, three have been indicted on a charge of breaking the Peace Preservation Law, while the others have been released with stay of prosecution.

The Japanese press reports that Ken Inukai, son of the late Premier, Mr. Tsuyoshi Inukai, will file a petition with the Government for leniency for the military cadets and naval subalterns who assassinated his father on May 15, 1932.

Five alleged Communists were rounded up recently by the Nakano police, Tokyo, at their secret office in Nakano. Yoshimaou Tanaka (31), the leader of the group, is suspected to have furnished important intelligence to the Embassy of a certain Power, which he is alleged to have visited.

The eldest son of Torajiro Harada, a member of the Japanese House of Peers, recently disappeared from Osaka with Yen 60,000 in cash. Deserting his wife and two children, the heir of the rich family has not been home for two months. A theory gaining ground in police circles is that after contributing the missing money to a Communistic organ, he has been confined somewhere in Tokyo, and not allowed to return home.

Reactionaries Hot on Trail of "Friends of Peace"

The organization known as the Association of Friends of Peace in the Far East, which recently was organized at a meeting held in Tokyo, is being made the special object of attack of various reactionary groups. The reactionaries are particulary horrified over statements by Captain Kotoku Mizuno, a naval officer on the reserve list, in the course of a speech before the charter meeting of the friends of Peace. The group has sent representatives to the Metropolitan Police Board and certain government offices to call attention to the Captain's speech, and in addition representatives of the Tokyo gendarmerie have reportedly made inquiries of the police about the pacifist organization. Captain Mizuno said in his speech that the fact he was a military man did not prevent him from associating himself with any movement intended to bring peace to the world and to abolish war by legitimate means.

Five Hundred Radicals in Prison to Surrender Convictions

Five hundred and forty-eight convicted and unconvicted Communists out of a total of 1,763 have announced changes of attitude toward revolutionary doctrines and have promised reform in varying degrees, according to an announcement made by the Japanese Ministry of Justice Sept. 4. The Ministry, according the *Asahi*, has been conducting an extensive investigation into the attitude of Communists convicted, on trial or under examination, and has proposed an increase in the number of prison chaplains in the effort to change the beliefs of all those who have been arrested in anti-Communist campaigns in recent years.

Tokyo Police Arrest Two More in Seisanto Probe

Two additional arrests by Tokyo police were announced Sept. 4 in connection with the alleged plot of members of the Dai Nippon Seisanto, or "Japan Production Association," a reactionary organization affiliated with the Black Dragon Society, to assassinate government officials and political leaders in a continuation of the disturbances of early last year. The new prisoners are Kokki Abe, age 23, and Tasuku Hasegawa, age 22, both members of the militant young group of the Seisanto.

Since the night of July 11, when more than 40 members of the Seisanto were arrested in a raid on a lodging house in the neighborhood of the Meiji Shrine on the eve of a suspected prayer meeting that was to have launched the campaign of terrorism, police have been questioning many persons connected with the organization throughout the country. The present objective of the police, it is explained, is to learn the source of funds supplied the alleged conspirators. Thus far none of the prisoners has divulged a hint.

Christianity Versus Shintoism

On the ground that disturbances might be caused by conflict between Christianity and Shintoism, the authorities of Ogaki, Gifu Prefecture, recently denied the application of Miss Sadie Lea Weidener, an American missionary, for the right to establish a church of the Mino Christian Mission there. The action was taken after three Christian school children of Ogaki had been suspended from school because of their persistent refusal to participate in the student body's regular pilgrimage to a Shinto shrine.

America and Japan Engage in Naval Race as "Disarmament" Preliminary

THE world continues to witness the spectacle of ostensible preparations to hold a Disarmament Conference (in 1935) while at the same time the various participants are actively engaged in the process of increasing their armaments. So far as America is concerned, Secretary of the Navy Swanson signed contracts recently for 37 vessels to be constructed out of the $238,000,000 granted to the Navy Department from public work funds. On the completion of this building program three years hence, America will have built up to the limits allowed by the London Treaty, and her Navy will then be the biggest in the world. The avowed object of the United States is to challenge Japan as to the futility of engaging in an armament race, but the net result so far has been that the Japanese naval authorities take the attitude that the American activities make it absolutely necessary for the Island Empire to hurry up its naval building program. The latest news on Japan's attitude is that Japan will not serve notice of denunciation of the Washington naval treaty, but will declare her inability to enter into any fresh naval agreement with the present allotted ratios. Japan, it is intimated also, will propose to the signatories of the Washington and London treaties early next year to hold a preliminary conference prior to the second Washington Conference of 1935, when Japanese naval circles will press strongly for naval parity. This idea was first printed in the *London Daily Express*, and although the Japanese Foreign Office has repudiated the suggestion, the plan would nevertheless appear to be the obvious sequence to the present train of events. Meanwhile arms manufacturers are gleeful at the prospects of business. As John Gunther, correspondent of the *Chicago Daily News* recently pointed out, the disarmament conference at Geneva is a pretty futile business so long as arms firms like Skoda make money on munitions. This American correspondent wrote from Pilsen, Czecho-Slovakia, the center of the great steel industry, which is understood to have made considerable money out of the Manchuria trouble. Many things contribute to the difficulties of controlling the arms traffic. For one thing, governments themselves are directly interested in the manufacture of arms. Vickers has 80,000 stockholders. Among them, as of April, 1932, are two British Cabinet Ministers, Lord Hailsham, Secretary of War, with 210, and Sir John Glimour, Minister of Agriculture, with 3,066. Among the stockholders are many politicians, publicists and M.P.'s. Again, there is the influence of the arms makers on the press. The leading firm in the Comite des Forges, the great French steel association, is Schneider-Creusot, which controls Skoda. Both the *Temps*, the leading Paris paper, and the *Journal des Debats* are said to be controlled by members of the Comite des Forges. The *Echo de Paris* has received heavy contributions by arms firms. It was recently widely printed in Germany, but denied in France, that Schneider-Creusot had bought control of the famous Geneva paper, the *Journal de Geneve*.

League Views U. S.-Japan Naval Race With Dismay

Recent *Chicago Tribune* dispatches from Paris stated that the inauguration of the American naval building program was marked by an outbreak of sensational articles in the French press "revealing" American militarism—articles based on distorted news dispatches relayed from Tokio and London. The *London Daily Express* had printed a statement to the effect that the Japanese government has protested against the United States naval building program. None of the French papers which quoted the *Daily Express* splurge—it covered most of the front page—took the trouble to point out to their readers that it is the *Daily Express* which has often printed sensational stories about French armaments which French papers like to hold up as examples of unscrupulous and dishonest journalism.

A recent Japanese dispatch stated (what is probably a fact) that profound anxiety [is being expressed in

League disarmament circles regarding the U.S.-Japanese naval construction race as leading the two Powers to the inevitable result—a U.S.-Japanese War! As a result the League disarmament circles envisage the serious effect of the U.S.-Japanese naval race upon the prospects of the World Naval Disarmament Conference to be held in 1935. The parley is to be held prior to the expiration date of the London Naval Treaty of 1930 on December 31, 1936 and also the Washington pact that binds Great Britain, the United States, Italy, France and Japan. If the situation is let alone, the disarmament protagonists fear that success of naval limitation accord in future is virtually impossible.

If a genuine arms limitation agreement is reached at Geneva, it is believed the U. S. air and mechanical program will be sharply curtailed. If, however, no agreement is reached, work will proceed and the United States army will have the finest possible mechanical equipment that money can buy.

Norman H. Davis, the President's ambassador-at-large, on his arrival in London on his way way to Geneva intimated that America would not link up the question of European disarmament with the matter of paying war debts.

President Roosevelt has appointed Rear-Admiral Richard Henry Leigh naval adviser to the American delegation at Geneva.

Japanese Commission to Study Disarmament Problem

The first meeting of a preparatory commission to study Japan's attitude towards the disarmament conference to be held in Washington in 1935, which was organized through the joint effort of the War, Navy and Foreign Ministries, was scheduled to take place during this week.

JAPANESE FORCES TO REMAIN AT SHANGHAI PERMANENTLY

Japanese military barracks and military hospital recently constructed by the Imperial Navy in Chinese territory at Shanghai. The main barracks in the foreground will house 2,000 troops with storage for tanks, armored cars and large stocks of artillery and munitions. The barracks, together with the hospital, shown at edge of picture on left, cost more than Yen 2,000,000 and were modeled on the Japanese military establishment at Azabu, Tokyo, Japan. The construction of these military buildings and the creation of a fortified zone in Chinese territory at Shanghai is in open violation of the Washington Conference Treaties.

Japanese Now Say Hongkew Park Barracks Have Already Been Dedicated

The attention called in an illustrated editorial in *The Review* last week (in common with several Chinese newspapers) to the establishment by the Japanese of permanent barracks and a fortified "zone" in Shanghai has somewhat dampened the Japanese cocksureness. For one thing the contemplated impressive ceremonies in connection with the dedication of the barracks have been abandoned, and a Japanese Consular statement issued Sept. 12 stated that the dedication took place several days ago and that the ceremonies incident thereto are now over. The Japanese naval inspection was announced to be postponed until Sept. 18 and would be of a routine nature.

Commenting editorially on the completion of the new barracks for the Japanese Naval forces, the Shanghai *Chen Pao* calls attention to the fact that in view of its extreme elaborateness, the structure can only be considered a sort of military fortification and therefore a serious menace to the peace and tranquillity of Greater Shanghai.

Though the majority of Shanghai's population is Chinese, the journal states, the city has long been under foreign control. With the exception of the French, who occupy a separate part of the city, the British and the Americans are the real masters, while the Japanese share in the administration (of the International Settlement) less prominently. However, the situation has now entirely changed. The Japanese are engaged in a desperate struggle with the British and the Americans for the mastery of Shanghai.

Japan Builds "Manchurian Paradise" With Sword and Opium

BY SHEN HSUE-CHUAN (沈學傳)

IF Christianity of the West has failed to realize a "Kingdom on Earth," the newly-invented cult of Wang-tao (the so-called principle of Kingly Way) of the Orient, as expounded and practised by Japan, must be congratulated upon its success in converting Manchuria into a bloody paradise. Grimly realistic in approach and ruthlessly practical in method, the Japanese Wang-taoists have proceeded with their heavenly mission with two simple but effective weapons: Sword and Opium. The sword slaughters, while opium poisons. In this manner, a "Paradise" is being slowly and laboriously erected in Manchuria upon the heaps of sacrificed humanity, mourned with wreaths of poppy blossoms. These metaphoric descriptions of the Manchurian Paradise would not be convincing, unless we substantiate them with some stern facts—results of the coordinated operation of the Sword and Opium.

Two Chinese passengers on a Mukden-Shanhaikwan train who aroused the suspicions of the Japanese guards by their hesitation in answering questions. They were taken to a Japanese barracks for further questioning—typical happening along the railway.

The Flourishing Sword

Since her armed occupation of Mukden on Sept. 18, 1931, Japan has inaugurated a policy of wholesale massacre in Manchuria in order to terrorize the Chinese population into subjection. In addition to her most complete paraphernalia of modern armament, the ancient weapon of the sword has also been brought into play. Under the iron rule of the Japanese military, the lives of Chinese in Manchuria have literally hinged upon the whims of the Japanese soldiers and are valued no more than those of dogs. At every moment and in any place, the innocent inhabitants are exposed to the danger of losing their lives. Persons are often arrested on the slightest suspicion and killed without the least formality. While the vitcims have been chiefly students and patriotic workers, women and children have also not been immune from such dangers. Violation of women by the Japanese is a common, almost daily, occurrence and resistence to the outrage means sure death of the victim by stabbing or bayonetting.

The most common instrument used by Japanese soldiers in the normal process of pacification is the grasscutter. The victims of this crude but terrible weapon are cruelly severed either by the sides or by the necks or dismembered alive. They are often stripped of their skins and have their eye-balls pulled out by the pointed bayonets. Not satisfied with this process, the Japanese would further cut their tongues and take out the hearts. The blood-thirsty Japanese soldiers seem to enjoy most such gruesome sights and seek publicity of their deeds by photographing and publishing them in newspapers. If the victim happens to be a land-owner, they would confiscate his lands.

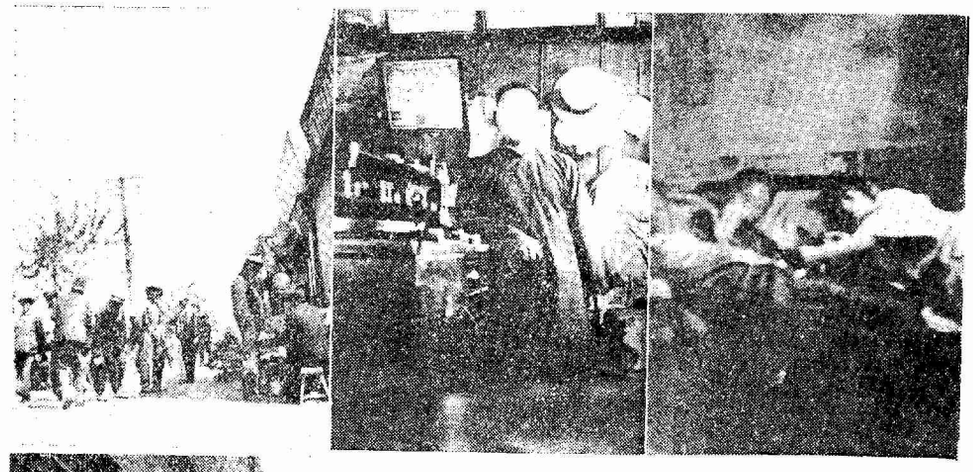
The net of Japanese secret service spreads far and wide in Manchuria and a system of rigid search is instituted and carried out. Japanese spies disguised in Chinese clothes are regularly stationed on ships and trains. At stations and wharfs, all passengers are subject to examination of person and things and even females are not exempt from such humiliating treatment. If a passenger is a native of Manchuria, he is not only examined upon landing but has also to be subject to periodic questioning at home. In particular, young men and students are most carefully watched. In the coourse of examinations, if suspicion of the examiners is aroused, or the examined hesitate in their answers, they are invariably tortured to elicit replies, such as pouring boiling oil over their heads, hung up on a post and whipped, painted faces or other ways of humiliation and maltreatment. The more unfortunate ones are often confined into iron cages to die of starvation, bitten by military dogs directed by Japanese soldiers, burnt or buried alive. Every house in a village or city is subject to a weekly examination. If a house has kith or kin staying with it, it must first inform the Japanese police box. Otherwise, both the masters and the guests of the house will get into serious trouble with lives in danger. When one walks in the street, one must not look around. If so, it would be sure to arouse the sensitiveness of the Japanese police and invite trouble. The villages where Chinese volunteers passed or happen to pass are invariably set on fire by Japanese soldiers with oil torches and the inhabitants, male or female, aged or young, are mercilessly mowed down with machine guns as in the case of the Fushun massacre in Sept. 1932. When members of volunteers fall into their hands, they are not put to death at once, but are first strung together with a barbed wire perforating through their hands and then burnt one by one to die of a lingering death. The students are generally styled "Student bandits" and are similarly treated. In order to carry out a thorough eradication of the Chinese patriotic movement, Japanese ronins and Korean spies are scattered in every nook and corner of Manchuria to keep the Japanese Military informed of the sentiments and activities of the people. As a tactic of policy, Japanese officers and soldiers usually show more decency to older men and feign respect for them as best qualified "Manchukuo" citizens, while the young,—particularly the students—are much hated and maltreated. But all men, young and old, are liable to be questioned at any moment by Japanese police or soldiers "What is your nationality?" If the desired answer fails to be forthcoming, they are sure to be stabbed as a punishment. Therefore, people, in order to save their lives, had to reply that they are Manchukuo citizens. Japanese attempts to wipe out the movement of volunteers in Manchuria have resulted in many tragedies, both wilful or otherwise. For instance, once several Japanese bombing planes in searching for volunteers mistook a crowd of villagers taking part in a wedding ceremony in a village for volunteers and hurled down highly explosive bombs at the crowd, resulting in heavy casualties. According to a reliable report received by the Northeastern People's Association in Peiping, the total number of victims of Japanese massacre in Manchuria beginning from Sept. 18, 1931 to end of Dec. 1932, reached the figure of 58,308. Details of the figures

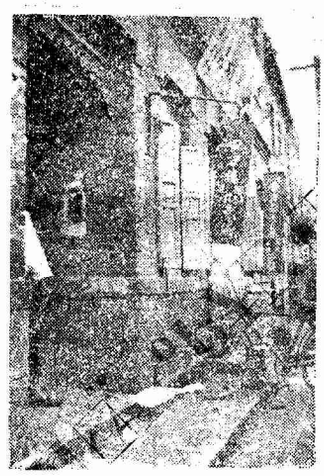
are as follows:

Civilians	12,026
Soldiers	20,214
Volunteers	25,678
Policemen	390
Total	58,308

Race-Annihilating Weapon of Narcotics

The harm opium can do to enervate and deprave a people needs no elaboration here, for it is known to every man of common sense. Once a man contracts the habit of opium-smoking, he is sure to be addicted to it and his body will be so weakened and enervated as eventually to lose all vitality and power of resistance. Japan has seen the effectiveness of this weapon in conquering Formosa and is now employing it with telling effect in Manchuria. Both in the past and particularly in the present, Japan has always been a big narcotic-monger in Manchuria. No less than eighty per cent of her nationals residing in South Manchuria are directly or indirectly connected with the dope traffic. After her military occupation of Manchuria, she has further expanded the traffic and utilized it for the double purposes of raising revenues and weakening the people to reduce resistance. Shortly after the establishment of the puppet Manchukuo, Japan inaugurated an opium monopoly in Manchuria under the direct control of the Japanese Military, closely following the pattern of her opium monopoly in Formosa.





Upper left, Chinese morphine addicts standing in Harbin street before Japanese dope shop awaiting drug injection; center picture above, inside view of one of the new Japanese official dope shops in a Manchurian city, Harbin, showing opium pipes and other paraphernalia on desk; upper right. The "Flower and Opium" den in Changchun, capital of Manchukuo, showing Chinese smoking opium with female assistant lighting his pipe. Left. A Japanese-operated opium and morphine shop, branch of the official monopoly in Antung, Manchuria.

In August, 1932, the "Manchukuo" Government acting under orders from the Japanese Government began to formulate laws of opium monopoly for public sale and put this system into operation in January, this year. In the meantime, there have been published at least five or six sets of laws regulating poppy cultivation. In accordance with these laws, many opium monopoly offices have been established in the various parts of the country. The Head Office is at Changchun, Capital of "Manchukuo," while special offices are opened at Mukden, Kirin, Heilungkiang, Harbin, and Chengteh (Capital of Jehol). All the offices, large and small, are staffed by the Japanese. The business of these offices is three-fold: to promote the sale of opium, to raise revenue by opium tax, to issue and distribute opium-smoking certificates. In 1932 the revenue realized from opium taxation amounted to Y.5,000,000, and this sum must be considerably increased this year because of the increase of imposition of the tax. On each pipe of prepared opium is levied a tax of $1.00 a day, while heavy taxes are also imposed on poppy cultivation lands. In order to raise sufficient money to cover her military costs of Manchurian conquest and to maintain the present puppet administration, the Japanese Government forces the Manchukuo to encourage the people in poppy cultivation and narcotic trade. Poppy is now being cultivated throughout the whole of Manchuria and Jehol and as a result the area for cultivating vegetables and food stuff generally has been greatly reduced. In the district of Mukden alone, there are 1,650 familes engaged in the poppy cultivation with an aggregated area of 30,033 mow of land devoted to this purpose. Poppy cultivation and opium traffic are carried on even more extensively in Heilungkiang and Kirin provinces than in Liaoning. While statistics of the total area of land devoted to poppy growing in entire Manchuria are unavailable for obvious reasons, it is reservedly estimated that at least eight per cent of the arable land in Manchuria are covered with poppy blossoms. According to information received from Manchuria, in 1932, the sale of opium in the South Manchurian Railway zone alone reached the figure of Y. 3,500,000, out of which the Kuantung Government made a profit of Y1,000,000. By pursuing and enforcing the narcotic policy, the Japanese are not only realizing a big revenue, but are systemtically demoralizing the Chinese people with the ultimate object of extinguishing the Chinese race in Manchuria. Chinese landowers are forced to convert their arable lands for cultivation of poppy in order to depreciate the land value, while Japanese and Koreans are encouraged to buy up the lands of the bankrupt formers.

Changchun, Harbin and Toetongo are the greatest opium markets in Manchuria. Not only opium, but heroin, cocaine and morphine are also openly sold and bought and constitute staple commodities in Manchurian markets. With the growing commerce in these drugs, the Japanese have established many offices to collect taxes on the trade. In the city of Toetongo alone, there are more than 400 narcotic shops and 2,000 opium dens. In Mukden, the number of opium shops is estimated at 1,000. In Changchun, conditions are even worse with 3,000 opium dens principally operated by the Japanese and Koreans. In Harbin, according to a recent investigation, on Chungyang and Suicheng streets alone, there are no less than 100 opium dens. In view of the large volume of narcotic trade, it is sarcastically remarked that passengers and commodities on the C. E. R. every day consist of nothing but Japanese troops and narcotics. For identification of their business, the opium shops are usually decorated with either two Japanese or two Manchukuo flags flying from crossed poles before their doors. Beneath these flags, there is usually a sign reading "Opium Shop—Retail and Wholesale," In the cities of Harbin, Toetongo and Changchun, one's eyes are greeted with such signs almost on every turn in the street. Each shop has a vast stock of opium accumulated as high as a molehill and opium packages are piled up in layers as flour bags in a flour mill. For the consumption of the vast stocks of the drug, opium smoking houses are the sole agencies. On the door of every house, is hung a large sign board with the tariff of the prices of pipes of the different grades of opium. In order to attract customers, girl waitresses are employed to entertain the addicts and such houses are popularly known as "Flower-Opium" dens. Similarly, numerous opium shops and dens are opened in other cities, towns and

villages—also with girl wiatresses in the rooms.

As if opium alone is not enough to demoralise the Chinese in Manchuria, the Japanese have also created a heroin monopoly. Encouraged and patronized by Japanese officials, Japanese ronins and Koreans have established large manufactories of heroin in various places. In Kirin city alone, there are no less than ten such manufactories producing an output of 6,000 grammes of heroin a day. In Mukden, there are eighteen with a daily output of 10,000 grammes. Factories on smaller-scale are found in Antung, Yingkow and Liaoyang. Besides the wholesale dealers and producers, there are itinerant peddlers, mostly Koreans, who carry heroin to the out-of-way villages and by-places. Thus, under the monopolistic development of the narcotic trade, the addicts of opium and heroin are increasing in alarming numbers.

Heroin is made of morphine and produces an effect which is more disastrous than that of opium. It poisons the man addicted to it and makes him a slave to it in less time than is required in the case of opium-smoking. Any man who contracts the habit of using heroin is soon disabled, deformed, and deprived of productive abilities. In order to encourage people in Manchuria in smoking opium and using heroin, the Japanese have devised ways and means to that effect. Opium addicts are honored as respectoble gentlemen, while non-addicts are treated with scorn. To every opium or heroin addict the Japonese give an opium smoking badge. One who possesses such a badge in one's person is accorded privileges by Japanese soldiers and is exempt from examination on the street, while those without badges must be subject to rigid examinations by Japanese soliders or police. This difference in treatment has produced the desired effect of encouraging the people in smoking opium. Under such conditions, many dissipated or disheartened youths are either encouraged to or seek consolation in opium-smoking. Thus, opium addicts have become more and more in number with the corresponding increase of the area for poppy cultivation in Manchuria every day.

$200,000 for Defence of Foochow Against Reds

A joint meeting of representatives of party, civil and military organs and civic organizations was convened at Foochow, Sept. 9 by General Weng Chao-yuan, of Woosung forts fame, who is the new Defence Commissioner of Foochow. A sum of $200,000 is to be raised in three instalments to enable the building of defence works around Foochow. A Committee is to be formed, with Admiral Sah Chen-pin, former Minister of the Navy under the Peking regime, and representatives of the various Party, civil and military organs as well as local banking circles and the Chamber of Commerce serving on the Committee.

The indications are that there will be a decisive test on the Communist situation in Fukien province in the near future. General Chiang Kai-shek, following the Kuling conference, is announced to be determined to crush the Reds in said province. The base of the Communist forces is at Shahsien, south-west of Yenping, on the Min River, which was captured by the Communists and then recaptured by the Government forces two weeks ago. Yenping was captured on August 28 but was eventually recaptured by the 61st division of the 19th Route Army, the commander of which, realising the weakness of the provincial units, decided to incorporate the 49th division, which was stationed in the vicinity of Amoy, and move it along the coast under the command of a Southern general. With this, the 19th Route Army strength in Fukien is five division. General Wang Chao-yuan, known as the "Hero of Woosung" for the stubborn resistance he put up against the Japanese forces last year, is in command. In Southern Kiangsi, three Kwangtung armies have crossed the border to cooperate with General Chiang. One of the units of the Kwangtung army is the force which was originally organized to advance north to Jehol and fight the Japanese.

A recent telegram from General Chiang Kwang-nai, Chairman of the Fukien Provincial Government, received by President Lin Sen and General Chiang Kai-shek, reported that much progress has been made in the bandit-suppression campaign in Fukien.

An Amoy dispatch dated September 7 to the *Shun Pao* said the outlook of the Fukien military situation is still uncertain in view of the vigorous onslaught made by the Communists. General Liu Ho-ting's provincial troops have held the city of Shunchang, about forty miles west of Yenping, for three days against the siege of the Communists. Several detachments of provincial troops and of the 19th Route Army were at that time pushing towards Yenping. A general offensive was being prepared against the Reds as soon as reinforcements arrived.

An official telegram from the district magistrate of Yenping Sept. 10 confirmed that the "Reds" under Peng Te-huai had been routed by the Brigade under Major-General Chiang Yen (attached to the 56th Division under Lieut.-General Liu Ho-ting.)

Rengo states that co-operation between Japan and Great Britain in case it is necessary to act in the Foochow district was tentatively agreed to at a recent conversation between T. M. Snow, the British Charge d'Affaires in Tokyo and Mamoru Shigemitsu, Japanese Vice-Minister.

Consular representatives of various powers are exchanging information in order to take joint precautionary measures in case the situation at Foochow should become threatening. In addition to the Japanese, British and American war vessels, recently a French warship was also sent to Foochow.

The vanguards of the Communists, according to reports, arrived at Shuikou end of last week, about midway between Yenping and Foochow, where severe fighting was in progress between the Red forces and the Fukien provincial forces.

Official despatches received in Foochow, September 6. stated that Yenping is still in the hands of the provincial troops and that the Communists have been beaten back ten miles. The 19th Route Army was rushing reinforcements to Yenping to strengthen the defences of that city.

Japanese Withdraw Troops from Manchuria—Watch Situation in Fukien

General Araki at a recent Cabinet Council in Tokyo, following references to the return of the Sixth Division of Kumamoto from Manchuria, said that the Japanese Government was watching the activities of the Communists in Fukien province very closely.

According to reports from the Kiangsi front, Chang Pai-tse, a notorious Red mercenary, surrendered to a Nanking division at Hingkou on August 28.

Communist proclamations signed by the so-called headquarters of the 73rd Division of the Communist Army suddenly appeared end of last week recently on the walls in and outside the city of Paochen, in Southern Shensi. These Communists have also extended their activities to Ningchiang, another Southern Shensi city on the Szechuen-Shensi border.

Huge Airdrome at Nanchang

Under instructions from the Military Affairs Commission, a special committee has been formed at Kiukiang for the immediate construction of a large airdrome at Nanchang for exclusive military use in connection with communist-bandits suppression campaigns which are now being carried on in the mountainous regions of the southern parts of Kiangse bordering Kwangtung and Fukien provinces. Gen. Hsiung Shih-hui was appointed chairman of the committee. The new airdrome will occupy more than 15 acres. Ten thousand workers have been enlisted for levelling the ground, the whole piece of construction being placed under supervision of expert engineers from Shanghai. Construction is hoped to be completed within a month.

The Government troops stationed in southern Kiangsi have established a reclamation bureau at Kanchow and branch bureaus in the various districts in order that they may engage in reclamation work besides their regular bandit-suppression duties.

Serious fights was in progress end of last week along the Min River between the provincial troops and the Communists. General Mao Wei-shou is in command of a vigorous attack on the Communists at Yuhsi. The provincial authorities are rushing more troops to the north by way of Chuanchow and many motor-cars have been commandeered for military service.

Chunmenlin, a Communist stronghold in Southern Kiangsi, has been captured by the Cantonese troops, according to military reports from the South.

Anhuei City Looted by Bandits

Hanshan, a city in Anhuei about a 30 miles west of Nanking, was captured by bandits last week-end and thoroughly looted. The bandits cut all means of communication between Hanshan and outports when they captured the city and remained there for three days, during which they made house-to-house searches in both the city and its suburbs. The loss is estimated at between $300,000 and $500,000.

League's Technical Aid to China; Dr. Rajchman and T. V. Soong

(By the Review's Tokyo Correspondent)
(Translations from various Japanese publications)

RECENTLY, especially during August and early September, leading Tokyo and Osaka papers have been devoting many columns to affairs in China. Particularly outstanding are the Tokyo *Nichi Nichi* and the *Yomiuri*. The topics they select are not exactly on the problems of the moment, such as T. V. Soong's activities in Europe and America, the League's technical aid, or the Kuling conference, but in most cases on the general political situation in the country.

Articles on the activities of T. V. Soong have been appearing in Tokyo and Osaka dailies for some time, but those on the League's resuming technical support to China and the activities of Dr. Rajchman were first printed in the morning papers of July 20. Ever since, the question has been attracting the attention of the enlightened class of the Japanese people, although it was seldom commented upon in the editorials of dailies and magazines.

Mention may be made in this connection that the August number of the *Chuo Koron* (Central Review), one of the leading magazines of Tokyo, published a very timely article entitled "From Chaotic China to Japan—special contribution by Chiang Kai-shek." Following the issue of the number, in the July 19 issue of the Tokyo *Nichi Nichi* and July 20 issue of the Tokyo *Ashai* an advertisement was conspicuously inserted on the first page, reading, "Chiang Kai-shek, who assumes the reins of government of China... Gen. Chiang Kai-shek, who sits lordly over the aged great country of China—the veritable cancer of the world, shoulders on his bony back the welfare of the 400,000,000 people and 5,000 year history of the country. On him the world journalism has long been riveting its attention. After a year's patient watch for a chance, our journal at last formed a volunteer corps, which after going through all sorts of difficulties succeeded in obtaining 80 sheets of his writings at his villa at Kuling. Ah, the goal is at last reached! An unprecedentedly great achievement in the world of journalism!" Later, on August 24 the Tokyo *Ashai* reported that the article entitled "From Chaotic China to Japan—by Chiang Kai-shek" appearing in the Aug. number of the *Chuo Koron* is not something the General contributed but that the manuscript is a disguised handwriting. The *Chuo Koron* on its own part made clear in its September number that the publisher had believed that the manuscript was from the pen of the General for it was obtained from a reliable source, but that after making thorough enquiry he found that it was entirely a false contribution.

The enigmatic case of the *Chuo Koron* has ended in a farce, but it is ample testimony to the eagerness of the Japanese to know the actual state of affairs in China.

Editorials in Leading Papers on the League's Aid

Tokyo Asahi and Osaka Asahi July 23.—It may be because Japan has withdrawn from the League that the League decided on stationing in China Dr. Ludwik Rajchman of all persons. As all are aware he is a well-known Japanophobe, and the League's appointing the Doctor at this time can never be regarded merely as a cynical gesture toward Japan. Despite the League's assurance that his sphere of activities shall be limited to health improvement enterprises, it is surmised that the new attempt of the League is to effect collaboration of China and the League of Nations with the common object of isolating Japan. The blunt manner in which the League extends its assistance to China may add fuel to China's resistance to Japan and Manchukuo. Strict watch is therefore required over this movement towards collaboration on the part of China with Western Powers.

The Tokyo Nichi Nichi and Osaka Mainichi, August 19, —The League, in the first meeting of the China Committee, held on July 18 at Paris, deliberated on the detailed plans for Chinese aid, and simultaneously decided to station Dr. Rajchman in China as a liaison officer. League aid for China is in pursuance of the request of General Chiang and Mr. Soong in May, 1931. The Chinese leaders asked the League Council for assistance in sanitation, communication, finance, economy, education, etc. Thus, League assistance to China is no novelty; twelve League experts have already been dispatched on this mission. The appointment of Dr. Rajchman to China proves the positive attitude of the League in supporting, China. His aid is, of course, limited to technical fields. He is ostensibly not at liberty to meddle in Chinese politics. But from a man like Rajchman, who prompted the Chinese Government to submit the Sino-Japanese dispute to the League, and who is on very intimate terms with Mr. Soong, we should know what to expect, especially when his political ingenuity is considerably felt in League circles. The rumor of the Sino-American secret aviation pact and British development of oil beds in Szechuen, the German $20,000,000 steel loan, the Italian airplane supply and Czecho-Slovakia's arms sale—make it quite evident that the Powers are advancing into China in the domains of military and finance. Needless to say, the League faction in the Kuomintang is taking advantage of these Powers and the League's aid in its endeavor to isolate Japan. The only way for Japan to counteract such a scheme is to assist North China in stabilizing its conditions, and in keeping it invulnerable to the maneuvers of the League group in Nanking. At any rate, the League's technical aid and T. V. Soong's activities require close attention.

The Tokyo Nichi Nichi, August 15.—Ever since Japan turned her back on the League of Nations, the European Powers controlling Geneva have been anxiously seeking a way to successfully help China in their effort of show Japan that the latter has been wrong. Despite numerous important problems confronting the Powers at home, their diplomats, in one form or other, are continuing to meddle in the Far East. That China requires help from outside is too obvious to deny. A question more fundamantal and realistic, which all friends of China must consider, is: Can China be lifted out of the present chaos without the goodwill and cooperation of Japan? To Japan, a stabilized and friendly China is absolutely necessary to maintain peace in the Far East. To Tokyo, the future of Nanking is not a problem of another continent, but of the next door neighbor. On the other hand, what about the real motive behind the Powers' steps to assist China financially and technically? Is not the Occident now being moved more by a desire to check Japan than to help China? Why should there be rivalry in offering helping hands to others?

T. V. Soong, His Personality and Activities

(By Koro Murata,—Serupan, September Number)

It was at the Finance Department of the Canton Government Office that I first met T. V. Soong on a scorching hot day of May, 1926. As he entered the drawing room in sporting white shirts he greeted me saying "Excuse me, for it is so hot." He was a man of high stature, dark of feature and powerfully built, suggestive of a rough-hewn sculpture, yet beaming with some gentlemanly refinement. Already he had displayed his rare ability as a financier. He was known more as a practical diplomat than as a mere theorist, showing more ingenuity in creation than in management; and what he most excelled in was the art of "creating something out of nothing." He can stage dare-devil achievements even in straitened circumstances. These characterize the Finance Minister as a great financier not merely in China but the

world at large. There is an episode which illustrates his uncommon financial gift. Once in the course of an expedition to the North, Gen. Feng Yu-hsiang made a false statement of his war expenses, based on a false statement of the number of men under his command. The remittance arrived in due course from the Kuomintung with a statement of account for same. The General took up the bill and on looking over the remarks said to his adjutant near by, "I thought Soong a green fellow. Now I find I was greatly mistaken." The statement from Mr. Soong described, "What you demand seems reasonable, but circumstances oblige me to cut it into the amount given here." The amount received was calculated exactly on the actual number of Feng's men! As a reason for his being so influential we may point out his financial talent, but at the same time the fact that he is a relative of Chiang Kai-shek must be recognized as one of the most powerful factors contributing to his enjoying a great reputation. That Gen. Chiang Kai-shek's expedition to the North muddlingly succeeded to save his face and that his administrative power is still felt is more due to Mr. Soong's financial backing than the personal ability of the General. If it had not been for the relation by marriage, the Chiang-Soong combination might long ago have been dissolved, as is customarily the case with Chinese "important men." It is too well known to need illustration that he sits over the Chekiang financial clique, which has the command of the Shanghai financial world. It is indeed beyond our power of imagination how Mr. Soong enjoys such confidence in Europe and America. Any Westerner, who is interested in affairs of China, would not hesitate to mention his name as the greatest man in China. It may be because he occupies an important position in the Kuomin Government, but it can not be overlorked that his ability to speak English is no less responsible. Quite unlike Dr. Koo and Quo Tai-chi, he gives an impression of gravity and sincerity as he speaks. Whether it is this manner of his speech or his being a man of few words, rarely found among Chinese politicians, that makes him is so popular in Western countries I do not know, but at any rate it is true he enjoys an enormous confidence among the Whites. That he is re-establishing foreign confidence in the Kuomin Government through his recent diplomatic tour all over Europe and America, amply endorses the boundless confidence placed in him. As China's representative to the World Economic Conference he went over to the United States, where he took the world by surprise by his meritorious feat of securing the $50,000,000 cotton and wheat loan. Later, on his arrival in Europe further successful activities in obtaining loans were reported and at the League of Nations he succeeded in inviting to China the chief of its Health Section as technical adviser to the Kuomin Government. Such was his distinguished service. Inasmuch, however, as the Finance Minicter's activities in Europe and America are reported to be accompanied with no small amount of propaganda, the people are, as it were, groping in the dark. It is nevertheless true that his recent activities proved a powerful stimulant to the Chinese people who have suffered a great deal from the unfruitful anti-Japanese campaign and at the same time greatly contributed to the restoration of her lost international credit. He is returning to China like a general from the front, which is a striking contrast to his solitary departure. His sudden rise in influence is regarded with apprehension as liable to strike still more obstacles on the way leading to a balance of power among leaders, but he is wise enough to see the futility of China's resorting to armed resistance to Japan. However, being deeply absorbed in finding mean of vengeance upon the Japanese, it is not unimaginable that he contemplates waging economic war against Japan by utilizing foreign influence.

A Talk With T. V. Soong

(Sept. 3 issue of leading Tokyo papers)

(The following is a translation from the September 3 issue of the *Tokyo Asahi*. Though the news is a Dentsu dispatch from Nanking, the description in the *Asahi* differs in part from that in the Tokyo *Nichi Nichi*—Translator.)

Subsequent to the conference held in Nanking on September 2, T. V. Soong told the reporter as follows:

Reporter: What is your opinion in regard to the fundamental diplomatic policy of China?

Mr. Soong: As to China's diplomatic policy, the Central Government has a consistent one. Being a member of the Government I have no view of my own. But the spirit of grudging no effort is what is most needed in the light of the general trend of affairs.

Reporter: What does the League's technical cooperation mean? What does it begin with?

Mr. Soong: China has already been depending on foreign specialists for the development of various construction works on land and sea and the plan for this time is nothing but an extension of the enterprise. Indeed, the industrial enterprises of the country are still in an infant stage and from the standpoint of national existence their promotion requires immediate attention. A Government schedule has already been formulated. Needless to say, it is but a commonplace routine affair to seek able advisers in countries abroad, and China has no objection to Japan's looking at things through colored spectacles, for time will tell everything. As to what enterprise shall come first, it depends entirely on the decision of the Central Government.

Reporter: How will you use the wheat and cotton loan secured from the United States?

Mr. Soong: The Central Government has decided on using it for the construction of the Centre. As to how it is divided, further discussions will decide it. I guarantee upon my honor that it will never be disposed of as war expense.

Reporter: Does China contemplate utilizing further aid from abroad in the form of capital or in kind to meet the requirement for the so-called construction work?

Mr. Soong: I don't say she does not, but she has none that I can disclose just now.

Reporter: Do you not intend to secure similar assistance from Japan? If not, why is it?

Mr. Soong: I do not mean to exclude Japan, but the existing Sino-Japanese relations are such that no friendly negotiations can be conducted without being subjected to enormous risks and difficulties. The negotiations are next to an impossibility under the existing situations.

Reporter: Why did you not land at Yokohama?

Mr. Soong: I had no particular reason; only I had no time, for I wanted to hurry back.

T. V. Soong and Dr. Rajchman

(By Ko Yamada, Sept. number of the Seikai Orai)

The *Echo de Paris* says in its editorial of Aug. 28: "T. V. Soong, not satisfied with the lukewarm attitude taken by the Nanking Government since the conclusion of the Sino-Japanese truce, is now visiting Western countries with a view to raising funds for resuming a political war. Around him are gathered the League staff officials who are responsible for turning the Far East into a vast shambles toward the end of 1931. They have done nothing except to cut the link which connected Japan with the League of Nations. Again they came forward to form a commission for giving technical aid to China to deal a retaliatory blow upon Japan. Once again Dr Rajchman came to the fore to take up the League's mission. He is expected to go to Shanghai at fair remuneration. The League's good-offices this time are reported to be confined to the technical side, but while Dr. Rajchman is assuming the responsibility such a report is altogether unreliable." Mr. Soong's loan campaign and the movement of a section of the League circles is clearly brought to light in these passages of the Paris paper, and all we wish to say is thorougly expressed in them. The object of the Finance Minister's loan itinerary to the West is already discussed in many quarters but that he planned thereby to see Japan defeated in the coming world economic battle with China as the centre, is only too evident. Thus the Chinese delegate to the W. E. C. attempted to kill a few birds with one stone. It is recalled that the commission in question was created in May 1931 and at the request of General Chiang Kai-shek and T. V. Soong several important figures League circles came over to China, where they prepared voluminous reports and recommendations. But, what could a pile of documents do to solve the fundamental problems of China? No formula or no theory can do anything to disentangle the complex Chinese problems. Herein lies the significance of the trouble. At the time of the outbreak of the Manchurian incident Dr. Rajchman even got his bedstead set in the wireless station of Nanking, where he, being absorbed in anti-Japanese propaganda, literally forgot taking his meals. At the time of the Shanghai incident again he got his bedstead installed within the Nan-hsiang Wireless Station for the same object, and he narrowly escaped the bomb attack from a Japanese plane. It is therefore not too much to say that, as was declared by the *Echo de Paris*, he is partly responsible for the disturbed situation in the Far East. It is not altogether unreasonable that he is intent on regaining honor to the League of Nations through vengeance upon Japan. It is understood that the Doctor is expected to convert a few

provinces into "model provinces," but it is nonsensical to think that so chaotic a land as China could, even partly, be tidied up by the hand of such a man as Dr. Rajchman. That China again approached him, that he is a professional anti-Japanese propagandist and that his object this time is ostensibly to improve affairs in a few of the provinces of China, indicate that it may be next to an impossibility to expect him to keep himself within the given field of activities. Knowingly or unknowingly he is assuming the role of spurring the country of China to precipitating itself into the state of a semi-colony.

League's Assistance to China Is a Soong-Rajchman Collaboration

(By Dr. Yotaro Sugimura, ex-Vice-Chief of the League Secretariat,—September number of the Bungei Shunju)

T. V. Soong, utilizing the opportunity of his visit to Europe and the United States to represent China at the World Economic Conference, appealed to the Powers for financial assistance. The Western Powers, being anxious not to lose their right to a political voice in China, will find means to grant her request. Overestimating the actual strength of the Powers, the League men took up the Sino-Japanese issue as if it had been a trifling matter like the dispute between Greece and Bulgaria, and by encouraging China, pushed the case into further depths. Later, when it fell back upon the recommendation based on Section 4 of Article 15 of the League Covenant, Japan greeted it with flat refusal, mercilessly disclosing the powerlessness of the League of Nations. Japan's withdrawal then followed. Hereupon the League men's disappointment, indignation and mortification reached their zenith. That it mapped out a plan in the middle of April to despatch Dr. Rajchman to China as a remedial measure, demonstrates the situation. Dr Rajchman, realizcng that the Japanese harbor bitter resentment against him, sailed to China under an assunmed name, ihanging ships at Singapore. At that time the leaders of the League circles were inclined to adopt a policy of watchful waiting, rather than displaying activities and even the creation of an international peace organization under the support of America, Japan and the League itself was being suggested; they therefore tried to disuade the Doctor from taking up the task in China. But their effort proved a failure due to Britain's unwillingness to support the move. They had at last to part with Dr. Rajchman, restricting his activities strictly within the field of technical assistance, so as not to provoke Japan. On his way to China, however, he learned of T. V. Soong's starting on his European tour in connection with the W. E. C. and upon arriving on Chinese soil he forth with turned on his heels and returned to Geneva. The League's aid to China is nothing but a collaboration between Mr. Soong and Dr· Rajchman. I remember once he told me, "My attachment for China is rather greater than for the United States and Europe. In fact the continent of China is permaeted with an alluring air to those who take an interest in business enterprises. The Anglo-Saxons who occupy an advanced position in China are too highly refined, for, to give an example, they attend dinner parties in tuxedo. This is just like studiously evading forming friendships with the Chinese. If we really intend to work in China we must be prepared, like the Soviet representative Borodin, to live with the Chinese and to work just like the native Chinese. In the same spirit as Borodin's I am going to work in China." Ten years ago Dr. Rajchman showed an extremely anti-British inclination; at the League he did not open his mouth without denouncing the policy of the British side, which in turn took every means to attack him. But, since in later years he convinced himself that, to do work in China, the best channel for success lay in taking advantage of the anti-Japanese movernment in China, he realized the need for ingratiating himself with people in Europe and the United States. He changed his front and became a defender of England. As regards T. V. Soong, he occupices a special position in Chinese financial circles. When I had a talk with him at Shanghai I found him a refined gentleman of sound judgment. He has something in him which wins the confidence of people in Western countries. It is not unnatural that newsreporters in the West are at one in their praise of the Chinese Finance Minister. Likewise in the League they maintain that since the only politician worthy of trust in China is Gen. Chiang Kai-shek, to help his right-hand man Mr. Soong is most imperative. The League's assistance to China is technical in name but political in reality. This can never be denied, in the light of the prevailing international relations. China can expect from the League no aid unaccompanied by its political consideration. Furthermore, so long as those League men who come over to China to assume the advisory role are either British, French, German or any other nationality, it is out of the question to expect them to work solely for the sake of the League, forgetting the interests of their own mother country. Besides, in such a country as China no aid can be given effectually unless strict international management is enforced. The League's international control would develop into Powers' management, and if in this case Japan keeps herself aloof from the group of Powers, the international management would be sure to lose its international or neutral character. At the time the question of League's extending help to China was brought up in Geneva, it was so decided, through advices from various quarters, to confine it to technical advice. When later the Sino-Japanese issue broke out, the original spirit suffered a change and the Leegue's aid in question took on a political character as a result of reckless activities taken by Dr. Rajchman and others. The League circle has an idea that Japan's restraint upon China contributes more often than not to the unification of China, and that it is even beneficial to attain the object of assistance by the League. What the League men are most deeply concerned about is the division of China. Being aware of Japan's strong determination not to return to Geneva they seem to consider that the relations of the League with China will forever be kept tight. The League has not sufficient financial power to help China, however. Nor can the United States find means to extend monetary aid as in the past. Moreover, judging from the fact that none can safely predict what may happen in China, Britain and the United States, in the event of their suffering from China's anti-foreign movement in the future, they would by no means be able to hold intact their rights and interests in China without Japan's assistance. Although in appearance affairs in China seem easy to manage, yet once we look a little further inside, the complexity of the situation is sufficient to discourage us. What is worse still, to assist the Centre would be inviting enmity from the North and South. Such obstacles the League must surmount before it fulfills its mission. And from the bitter experience the Powers have gone through, it may safely be predicted that what betrays the fruit of the League's endeavor will be the Chinese themselves.

Manchukuo Opium Monopoly Shows "Favorable" Results

Manchukuo's Opium Monopoly system application has, according to Japanese reports, shown favorable results. The monopoly regulations were promulgated November 30,1932 by the Manchukuo government, and were declared to be aimed primarily at the reduction and ultimate elimination of opium smoking in the new state.

According to Article 3 of the regulations, the selling of opium, and its manufacture through the various processes were placed under government control. This control was formally put into operation on January 11 of this year.

As to the extent to which the government has been able to gain control of the opium trade thus far, no figures are presently available. Manchukuo representatives state that the current governmental budget estimates the expected receipts from the opium monopoly this year at only $5,000,000. It is admitted that this is a purely nominal estimate, as the profits from the trade which are estimated to have accrued to past governments are estimated in excess of $100,000,000 annually.

The amount of opium formerly sold in Manchuria was set by well-informed sources in Shanghai at approximately 150,000 tons annually. Of this amount, only 20,000 to 30,000 tons were produced in the provinces of Kirin and Heilungkiang, while the rest was produced in Jehol, and also in Suiyuan and Siberia.

Drug Factory Raided in Peiping

Three hundred gendarmes led by an officer of the Peiping Branch of the Military Affairs Commission surrounded and raided a large drug factory in Peiping, Sept. 8. Within the factory were found 80 boxes of heroin, 160 catties of opium, 6 machines, 4 huge boilers and a large quantity of raw drugs. More than 100 men were at work at the time of the raid. The owner made good his escape.

A large quantity of narcotics and opium-smoking paraphernalia and gambling articles, confiscated by the 2nd Special District Court of Shanghai during the months of April and June, was publicly destroyed by the Court Sept. 9 under the supervision of Shen Hsi-ching, President of the Shanghai District Court.

How the French Railway Dominates the Politics and Economics of Yunnan

BY WILBUR BURTON

SHORTLY after the conclusion of the World War, the provincial government of Yunnan asked for bids to supply piping for a water project. The amount of piping desired was fairly sizable, amounting to about $100,000 in Shanghai currency which, at that time, was nearly equivalent to U.S. $100,000. Bids, involving delivery in Yunnan, were offered by an American, a Briton and a Frenchman.

The American's bid was frankly at dumping prices, for there was a surplus of piping in the United States at the time due to over-production during the war period. Dumping in those days, it should be emphasized, was a common and entirely respectable method of getting rid of surplus good; only after the Soviet Union started indulging in it, did it acquire its present sinister and subversive connotation. But to get back to our American salesman; he had made due allowance for freight charges and transit tax over the French railway from Haiphong into Yunnan and the fact that a Frenchman would not have to pay as high transit tax as a citizen of some other country, but he was positive that nevertheless no bid could possibly be lower than his offer. Wherefore, he was considerably astounded when the contract was awarded to the French bidder.

Being exceedingly curious to know just how the Frenchman had "put it over," the American placed a spy, so to speak, in the railway station in Hanoi where, on a certain bulletin board, are posted all notices pertaining to any changes in freight or passenger rates or in transit tariff on the railway from Haiphong to Yunnanfu. In due time the American's espionage was rewarded, for just before the piping began to arrive in Haiphong and for a month thereafter appeared a notice announcing that the Governor-General of Indo-China had ordered a temporary reduction in the transit duty on water piping destined for Yunnan, while another notice proclaimed that that Compagnie Francaise des Chemins de Fer de l'Indochine et du Yunnan, with headquarters in Paris and "Direction de l'Exploitation" in Hanoi, had temporarily reduced the freight rates on water piping destined for Yunnan.

French Economic Domination

A volume could not reveal more clearly than this one brief story how the French have achieved economic domination over Yunnan, although I will shortly recount other incidents illustrating various aspects of the situation. But with the Governor-General of Indo-China being empowered to raise or lower customs charges on goods into Yunnan at his discretion and without any advance warning to non-French business men, while the French management of the railway company cooperates (probably at governmental instigation) in altering the freight rates on the line without advance notice to anyone except Frenchmen, non-French business hasn't a chance to make any headway in the ostensibly Chinese province of Yunnan. The reader, of course, will bear in mind what was outlined in my first article, that the only practical way to reach Yunnan, or to ship goods there, is *via* the French railway.

So much for the moment for purely commercial transactions. I will now tell a story that I don't believe has ever before been published—which has pronounced political significance. Just last year the Yunnan provincial government ordered six Arrow training airplanes from the United States. It was the first substantial bit of American business that had been transacted in Yunnan in recent years, although there was one other ancient American plane in the province; just how it got there I do not know. Further, it was the first big venture of the Yunnan authorities in flying; in addition to the antique American plane there were a few other equally ancient planes which had been purchased in France, but which had become practically useless.

Discrimination Against American Planes

In due course the six Arrow planes arrived in Haiphong. French officialdom had doubtless been aware of the deal, but had been silent until the arrival of the machines. Then the order went forth that the planes would not be allowed to go through Tonkin to Yunnanfu; they were "war material" and France would be derelict in her "mission of civilization"—as French propagandists delight in describing their imperialistic enterprise—if such weapons (*from non-French sources*) were allowed to corrupt the heathen Chinese. But Harry E. Stevens, the then American consul in Yunnanfu (he is now in Tsinanfu), did not see it that way. He first protested to the French authorities in Hanoi, but without result. He then appealed to the State Department in Washington, which took up the matter with the Quai d'Orsay in Paris. Finally, due of course to America's powerful position in the world, the officials in Paris yielded and instructed the authorities in Hanoi to permit transit of the planes. Thus they eventually arrived in Yunnanfu. According to one report I obtained they were damaged in transit, but this was officially denied by the American Consulate in Yunnanfu.

Anyway, the deal evidently discouraged the Yunnan government from engaging in any similar future transactions with American firms, *for when four more airplanes were recently purchased (which arrived in Yunnanfu just about the time of my sojourn there), they were obtained from a French manufacturer despite the fact that they were technically inferior to the American product and cost little, if any, less.*

This story of the airplanes speaks sufficiently clearly for itself to require no analysis nor comment.

A little history and description of the French railway is in order before we proceed further, for in addition to being one of the most effective weapons of imperialism in Asia, it is one of the world's most wonderful and beautiful "iron horses." And, incidentally, it is all iron; even the sleepers (or ties, as they are called in the United States) are steel, and so are the telegraph poles. The gauge is one meter; the mileage in Tonkin is 240½ and 288 in Yunnan. The company, which is entirely French, is capitalized at Francs 19,250,000. The Tonkin section was built in 1901 and extended to Yunnanfu in 1910. When the Yunnan section was opened a weird rumor spread among the illiterate Chinese that Chinese babies were to be kidnapped and killed to grease the tracks and wheels of the fearsome foreign monster. Children who had previously been fondled by foreign residents were rushed out of sight whenever foreigners approached by sacred Chinese mamas who subsequently registered considerable shame and loss of face over their fright. And Chinese gangsters took advantage of the rumor to make it come true in part by kidnapping a large number of children!

Complete Control of Railway

The land for the Yunnan section of the railway was furnished by the Yunnan government which undertook the job of policing the zone. There never have been any foreign guards as along the foreign railways of Manchuria, but France has always been in as complete control of the line as if she had a squad of the Foreign Legion to every kilometer. It costs the Yunnan government about $50,000 (Shanghai currency) a year to maintain the railway guards, but the only profit the Chinese ever have derived from the line is the right to transport all military supplies at half the regular rate. How much profit the French obtain from the railway, aside from the political and economic grip it gives them on Yunnan, is not definitely known except to the French themselves. There can be no doubt that the line was expensive to build, and is expensive to maintain because of landslides almost every summer which cause a constant addition to the number of tunnels, the new tunnels being built where mountains have displayed a habit of constantly moving onto the tracks.

The official French figures, which may or may not be entirely accurate since any profit over a reasonable return on the original French investment would have to be divided with the Yunnan government, show that receipts in 1931 amounted to Francs 43,973,988.50 while expenditures totaled 41,208,025.20, a ratio of working expenses to gross revenue of 92 per cent. Receipts dropped approximately Francs 6,000,000 from 1930 while expenditures were reduced by about Francs 3,000,000. The railway carries about 3,000,000 passengers a year, chiefly fourth class.

Only one coach a trip is devoted to the entire first, second and third class, and in passing I will report for

CHINESE GOVERNMENT RAILWAYS

SHANGHAI-NANKING-PEIPING THROUGH EXPRESS.

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
8.00	—	PUKOW	—	19.00
3.10	3.15	LINHUAIKWAN	23.49	23.54
2.00	5.30	PENGPU	00.38	1.08
23.25	23.30	NANHSUCHOW	3.46	3.56
20.45	21.15	HSUCHOWFU	6.15	6.45
18.22	18.37	LINCHENG	8.47	9.02
17.15	17.26	TENGHSIEN	10.01	10.04
15.05	15.25	YENCHOWFU	11.50	12.10
14.34	14.36	CHUFOU	12.41	12.43
11.46	12.06	TAIANFU	15.19	15.39
9.00	9.30	TSINANFU	18.10	18.40
7.16	7.26	YUCHENGHSIEN	20.26	20.36
5.05	5.35	TECHOW	22.28	22.58
2.51	3.01	POTOUCHEN	1.16	1.26
1.31	1.51	TSANGCHOW	2.29	2.49
21.40	22.00	TIENTSIN (C)	7.06	7.26
—	21.30	TIENTSIN (E)	7.30	—
20.20	—	TIENTSIN (E)	—	8.00
20.05	20.21	TIENTSIN (C)	8.09	8.11
17.43	17.44	FENGTAI	10.41	10.42
—	17.15	PEIPING	11.09	—

PEIPING-HANKOW RAILWAY.

7.37	—	PEIPING	20.35	—
6.42	7.02	CHANGSINTIEN	21.30	21.10
2.57	3.17	PAOTUNG	1.15	00.55
22.16	22.56	SHIHCHIACHWANG	5.57	5.17
18.03	18.23	SHUNTEH	10.11	9.51
10.16	10.36	SINSIANG	17.45	17.25
7.09	7.39	CHENGCHOW	20.46	20.16
4.14	4.34	HSUCHOW	23.44	23.24
2.18	2.38	YENCHEN	1.45	1.25
23.07	23.47	CHUMATIEN	4.53	4.13
19.14	19.34	SINYANG	8.58	8.38
15.46	16.06	KWANGSHUI	12.25	12.05
10.32	10.37	KIANG AN	17.42	17.57
—	10.20	HANKOW (Tachimen)	—	17.54

PEIPING-SUIYUAN RAILWAY.

TIME ARR.	TIME DEPT.	STATIONS	TIME ARR.	TIME DEPT.
15.30	—	HSICHIMEN	12.01	—
13.47	14.07	NANKOW	13.48	13.28
12.24	12.34	CHINGLUNG-CHIAO	15.18	15.08
6.10	6.40	KALGAN	21.12	20.52
22.49	23.19	TATUNG	4.04	3.44
18.29	18.49	PINGTICHUEN	8.00	7.45
12.50	13.10	SUIYUAN	13.30	13.00
—	8.25	PAOTAO	—	18.00

LUNGHAI RAILWAY.

20.10	—	HSUCHOWFU	—	8.20
15.53	16.13	SHANHIUHSIEN	12.25	12.50
11.55	12.15	KAIFENG	16.44	17.04
9.47	10.07	CHENGCHOW	19.01	19.21
6.05	6.25	LOYANG	23.06	23.26
3.02	3.04	KWANYINTANG	3.03	3.05
1.33	1.35	HWEIHINGCHEN	4.22	4.24
0.33	1.03	SHANCHOW	4.52	5.22
—	20.00	TUNGKWAN	9.50	—

KIAOTSI RAILWAY.

—	22.00	TSINGTAO	—	7.35
23.50	23.52	KIAOCHOW	5.50	5.48
0.23	0.38	KAOMI	5.16	5.01
2.06	2.24	FANGZU	3.36	3.15
2.44	2.50	WEIHSIEN	1.38	1.36
4.02	4.04	TSINGCHOW	0.41	0.23
4.56	5.14	CHANGTIEN	0.01	23.59
5.39	5.41	CHOUTSUN	22.00	—
7.40	—	TSINAN		

CHENGTAI RAILWAY.

19.42	—	SHIHCHIACHWANG	7.58	—
18.14	18.16	TSINGCHINGHSIEN	9.29	9.27
16.00	16.15	YANGCHUAN	12.01	11.47
14.48	14.50	SHOUYANGHSIEN	13.52	13.50
12.40	12.49	YUCHIHSIEN	15.35	15.25
—	12.08	TAIYUANFU	—	16.07

SHANGHAI-HANGCHOW-NINGPO RAILWAY.

STATIONS UP.		Express R. Through	Express R.	STATIONS DOWN		Express R.	Through Express R.
ZAHKOU	d.	9.35	18.10	SHANGHAI, N.	d.	9.30	18.30
HANGCHOW	d.	10.00	18.35	JESSFIELD	d.	9.48	—
CHANGAN	d.	10.51	19.29	SICCAWEI	d.	—	—
YEHZAH	d.	—	20.01	SHANGHAI, S.	d.	9.35	—
KASHING	d.	12.04	20.44	SUNGKIANG	d.	10.48	10.35
KASHAI	d.	—	21.10	FUNGCHING	d.	—	—
FUNGCHING	d.	—	—	KASHAI	d.	11.34	—
SUNGKIANG	d.	13.13	21.59	KASHING	d.	12.08	20.50
SHANGHAI, S	a.	—	23.02	YEHZAH	d.	12.44	—
SICCAWEI	d.	—	—	CHANGAN	d.	13.17	21.57
JESSFIELD	d.	—	22.55	HANGCHOW	d.	14.12	22.50
SHANGHAI, N.	a.	14.10	23.10	ZAHKOU	a.	14.30	23.05

NANKING-SHANGHAI LINE.

STATIONS UP		EXP. R.	THRO. EXP. Zku-Nkg R.	Night EXP. R. S.	D.T. Night EXP. R.	STATIONS DOWN		Thro EXP. R. Nkg-Zku.	D.T. EXP. R.	Night EXP. R. S.
SHANGHAI, N.	d.	10.00	15.10	23.30	1.00	NANKING	d.	10.00	17.25	23.00
NANSIANG	d.	—	—	0.05	—	CHINKIANG	d.	11.34	19.02	1.06
KUNSHAN	d.	11.09	16.25	—	—	TANYANG	d.	12.17	19.43	1.58
SOOCHOW	d.	11.59	17.17	1.54	3.14	CHANGCHOW	d.	13.15	20.46	3.15
WUSIH	d.	12.54	18.12	2.58	4.21	WUSIH	d.	14.07	21.39	4.25
CHANG-CHOW	d.	13.56	19.09	4.02	5.21	SOOCHOW	d.	15.04	22.38	5.36
TANYANG	d.	14.48	20.11	5.07	6.21	KUNSHAN	d.	15.47	—	—
CHINKIANG	d.	15.34	20.56	6.00	7.12	NANSIANG	d.	—	—	7.33
NANKING	a.	16.50	22.15	7.45	8.40	SHANGHAI, N.	a.	16.50	0.25	8.00

NOTICE

1. Children under four years of age are carried free, children under twelve but above four years of age at half fares and children of twelve years of age and over must pay full fares.
2. For Local and Through Traffic, the following free baggage allowances will be granted to each passenger:—
   - 1st class passenger ..... 80 kilogrammes (143 catties)
   - 2nd class passenger ..... 60 Kilogrammes (100.5 catties)
   - 3rd class passenger ..... 40 Kilogrammes (67 catties)

   Half of these quantities will be allowed on each child's half ticket of each class respectively.
3. Any weight of baggage in excess of the free allowance will be charged at the rate for the minimum quantity of 20 kilogrammes (33.5 catties) of $0.002 per kilometre per unit of 20 kilogrammes.
4. In case of any holder of Local or Through ticket who abandons his journey en route and desires a refund on the unused portion of his ticket he must apply in person, and produce his ticket for endorsement to the Station Master where the journey is abandoned. Application for refunds must be made as soon as possible after endorsement and must in any case be made within TEN DAYS of the date of expiry of the availability of the ticket which has been endorsed.

the benefit of any readers who may be contemplating a trip to Yunnan that there is no appreciable difference whatsoever (except in price) between first and second class; third class is "hard," but not crowded or dirty. And while on this subject, I advise any traveler to avoid the regular French hotels at the two overnight stops between Hanoi and Yunnanfu. The little, out-of-the-way Hotel Zenner in Laokay is highly recommended, and incidentally it has the cheapest and best *vin rouge* I found in all Indo-China. In Amitchow, the most convenient Chinese hotel is not recommended except on a price basis, but it means a saving of about ten Shanghai dollars over the French hotel. In Yunnanfu itself I enthusiastically recommend the Hotel de la Poste which, although some of its accomodations are a bit primitive, is clean and comfortable, and it serves the best foreign food in town and is managed by an extraordinarily hospitable and charming French boniface who, incidentally, speaks quite good English. Further, with adequate bargaining, its rates are very reasonable in a city where everything foreign is on the gold piastre basis.

As indicated, it takes three days to reach Yunnanfu from Hanoi although by the standards of the best English or American trains the run should not take over 12 hours. But the trains used are not built for speed, and in addition they stop at every station, there being no express service. Travel at night through Yunnan would be hazardous because of the treacherous terrain, and in years past there was the additional hazard of bandits. But despite the time consumed, the trip is not boring; instead, it is extremely intriguing. Up to Laokay, on the Yunnan border, the country is beautiful, but not especially outstanding, at least to one already fairly familar with paddy-fields and tropical jungle of palms and banana trees. But through Yunnan, the journey is dizzy and dazzling. There is a constant ascent from not more than about 250 feet above sea level to more than a mile by mid-afternoon on the first day's travel in the province.

Transit Customs Duty

The railway first follows the gorge of the Namti which flows into the Red River, at the mouth of which Haiphong is located. There are many gorgeous waterfalls, sheer peaks of brown rock, verdant ravines, overhanging crags crowned with moss and small trees, and small valleys here and there as well as terraced hillsides where rice and corn are growing. There are many sharp rises in elevation which are negotiated by the train traveling almost in circles; at times the engine is headed almost directly toward the rear coach. One bridge, the Pont Sur Arbaletriers, which is but 67 meters in length, connects two tunnels, spanning a canyon of breath-taking magnificence. This bridge, incidentally, is a superb tribute to French engineering; designed on the spot with beautiful accuracy, it was built in two parts in France and shipped to Yunnan where each half was connected with the other by being lowered on human backs down the almost sheer sides of the vast mountains it joins together.

The first great plateau that is reached is around Tschetsouen, which is 1,630.49 meters in altitude. Then there is a drop to Mengtsz, near which the Yunnan tin mines are located, and a still further drop to Amitchow, which is the terminus of the day's journey. On the next day, there is a further climb in the gorge of the Taho which flows into the West River to Canton, then a slight descent, and then up again to the great plateau, 6,400 feet above sea level, upon which Yunnanfu is located. Shortly before reaching Yunnanfu is the splendid spectacle of blue Lake Tangtche surrounded by a vermillion mountain range trimmed with green patches of trees and plants. In the crisp air of the evening, gloriously illuminated by the setting sun, it provides an exquisite esthetic end to one of the finest trips in all China.

In all, there are about 200 tunnels, ranging from 20 meters to 500 meters in length, in the Yunnan section of the railway, and for long stretches there is at least one tunnel to every mile. Needless to point out, these have their disadvantages on a coal-burning train where it is impossible to keep the windows closed, but I think any real traveler will find the journey worth the grime—and time.

Enough now of the beauties of Yunnan; let us return again to less pleasing economic and political realities. It has already been pointed out how the French can manipulate transportation charges on the railway and even refuse the right of transit. Refusal to transport, of course, is purely a political measure except, as will be dealt with in the next article, their ban on the export of opium from Yunnan through Tonkin to Canton. In this case there is a justifiable fear that the narcotic would be smuggled off the trains in Tonkin and thus interfere with the Indo-China opium monopoly. But except for a small number of items, there is no prohibition of transit of the goods of any nation. Thus most of the manipulation of the railway is through transportation charges, or more specifically the transit customs duty, for except in extreme cases, like the piping incident, there is no appreciable manipulation of freight rates.

Expert Engineering

The transit customs duty is purely and simply a racket, to employ a modern American term. It is equivalent to the tactics of Chicago gangsters who exact a toll from anyone operating a pantspressing establishment in their districts, or more exactly to the practice of robber barons of the Middle Ages in Europe who collected squeeze from ships that passed their castles. No right other than might could be invoked for charging customs duty on goods that merely *pass through* Tonkin.

In theory, the transit customs charges amounts to merely one twentieth of the duty on imports into Tonkin. Thus, even by theory, French goods have to pay less tax than goods of other nations, China included, for naturally the Indo-China import duty is less on French goods than on non-French goods. But if theory and practice conformed, the duty would be very small, and while it would still be a racket, it would not seriously handicap trade since it would never amount to more than four or five percent *ad valorem*.

In reality, however, the tax on non-French goods runs as high as 15 per cent., and in some instances probably more. I will herewith reproduce one bill in detail of the tax imposed on the transportation of a small church organ manufactured in Shanghai and shipped to Yunnanfu *via* Haiphong. First, it is necessary to explain that since there is no shipment in bond, and as transit goods, like other goods entering Indo-China, are examined by the French customs, it is necessary to employ an agent in Haiphong to supervise the forwarding of merchandise from ship-side to the train. This agent, always French, is known as a "transitaire," and many Frenchmen make quite a good living as "transitaires" in Haiphong.

Here is a "transitaire's" itemized bill for the organ made in Shanghai, the bill being, of course, in piastres:

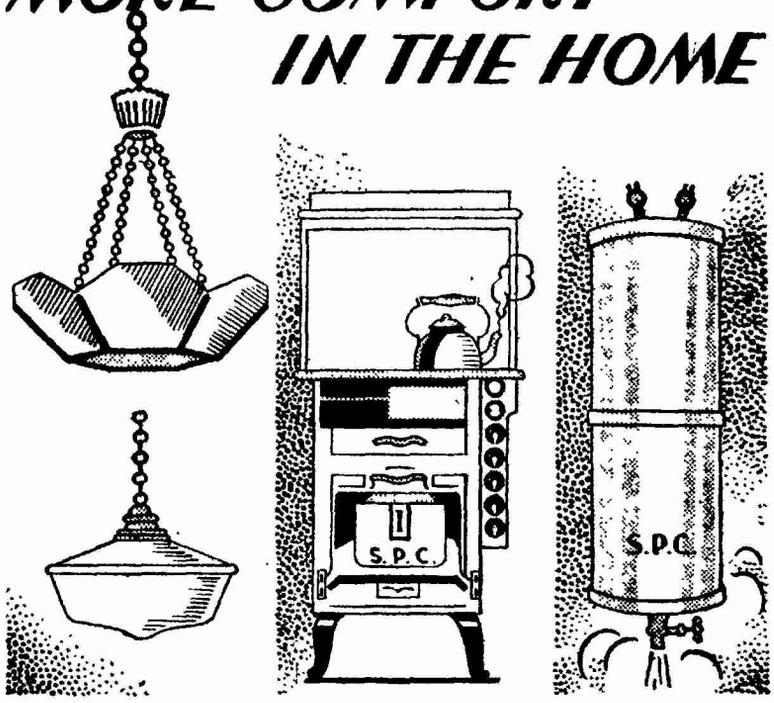
Debarquement	$ 1.80
Imprimes douanes	.24
Timbre connaissement	1.20
Taxes docks	.82
Douanes	10.26
Formalitie en douane	2.00
Commission transit	1.50
Transport S.127 X f/o	1.69
Avis d'expedition	.10
Redaction manifestes	1.00
Correspondance	.20
Commissions debours	**.14**
Total	$20.95

I cannot explain all the items in this bill, nor could the person who presented it to me. Presumably "debarquement" is a handling charge and hence not a tax. Every other item, however, has nothing to do with freight, which is not included in the bill. And except for the commission of the "transitaire" and "debarquement," the proceeds go to the coffers of the Indo-China government, including the stamps listed for telling the person in Yunnanfu who bought the organ that it is on its way there. Further, it will be noted that the actual customs duty—"douanes"—is only about half the total bill; the rest, with the exceptions already noted, are taxes of various other kinds.

Excessive Taxation

Assuming that "debarquement" is a handling charge and went to provide rice for some Haiphong dock workers, it may be deducted, leaving what can best be described as political charges of French imperialism. The total of such charges is, therefore, 19.15 piastres, which in Shanghai currency is approximately $37. Now the value of the organ in Shanghai currency was $250. *Consequently the French toll for just allowing it to pass through Tonkin was approximately 15 per cent ad valorem.* It must be emphasized that this charge had nothing to do with the freight charge from Haiphong

MORE COMFORT IN THE HOME



MODERN LIGHTING
MODERN COOKING
MODERN BATH-WATER HEATING

ALL BY ELECTRICITY

Shanghai Power Company

Head Office: 95 NANKING ROAD :: TELEPHONE 11010

to Yunnanfu, part of which, of course, went to the French government through taxes imposed on the railway. Further, it must be emphasized, that the organ was *made in China* and shipped to an ostensibly Chinese city, and for merely allowing it to be shipped there the French collected 15 per cent *ad valorem!* The organ, incidentally, arrived in Yunnanfu badly damaged,—a fact I want the reader to bear in mind for subsequent discussion.

Suppose the organ had been *made in France* and shipped to Yunnanfu; what would it have had to pay? Unfortunately, I cannot given any exact answer to that question, but in discussing the transit toll with M. Baudez, the French Consul in Yunnanfu, I asked him for information on the difference between the charges on French and non-French goods. He said he did not know, but he felt sure all was fair, and to prove his point he brought forth a "transitaire" bill of Subira Freres, one of the leading French import and export firms of Yunnanfu. The goods involved—he did not know exactly what they were except that they included general household provisions—amounted to $250 in Hongkong currency, or about $275 Shanghai currency. The total of the "transitaire's" bill was 15.22 piastres, but this included a freight charge of about eight piastres from the ship to the train, and the item marked "douanes" was less than three piastres. Since the total political charges in this bill were only about $13 Shanghai currency, the *ad valorem* rate was about five percent, or one third the rate on the Chinese-made organ. Of course, the French would reply that this does not prove anything except that the duty on general provisions is less than on organs, regardless of origin,—so I leave it to the reader to draw his own conclusions.

While the transit toll is the principal weapon used by the French to dominate Yunnan economically, there are also other weapons that illustrate the Gallic "efficiency" I mentioned in a previous article. The organ from Shanghai that arrived in Yunnanfu badly damaged was no exception to a general rule applying to non-French goods reaching Yunnanfu. The exception is when they don't arrive damaged. Those who prefer American canned milk, for example, usually find a half dozen cans drained in each shipment. If any kick is registered, the French recipient thereof shrugs his shoulders with a winsome smile, and says, "Ah, these Chinese coolies on the train in Yunnan are hard to watch; we do our best, but we can't keep an eye on them all the time." Probably he doesn't expect the person registering the kick to believe this story, but it's his story and he sticks to it!

German Goods Delayed

I pointed out in my first article that German goods take about six months to arrive from Haiphong to Yunnanfu, with British and American goods arriving in somewhat less time while French goods somehow make the journey in a week or ten days. This is also o part of the French method, in manipulating their railway in French interests. Siemens, the German firm, sells all its goods c.i.f. Shanghai, Hongkong, or Haiphong because it cannot afford to guarantee either prompt delivery or the condition of the goods upon reaching Yunnanfu. Once, a Briton protested vigorously to his "transitaire" in Haiphong against the long delays in

forwarding certain British goods from that point to Yunnanfu; *"Well, why don't you buy French goods and see if they would arrive any quicker?"* the "transitaire" blandly replied.

Still one further illustration of French tactics was the holding up of a shipment of American canned goods to Yunnanfu because the cans were not marked with the country of origin. Now, to be sure, Indo-China regulations, like those of many other countries, including the United States, require that imports be marked with the country of origin, but since the goods were merely *in transit through* Tonkin to China proper, holding them up can only be set down as deliberate interference with non-French trade.

Whether the French take advantage of their opportunity to interfere with mail to and from Yunnan, I could not definitely determine. According to one informant, they have in times past, and I did learn that British faith in Gallic honor is such that all consular dispatches of any importance to the British Consulate in Yunnanfu are sent "by safe hand," that is, by trusted messengers. In this connection, however, it is only fair to add that there is probably no country in the world which could be trusted not to learn the diplomatic secrets of another country whenever the opportunity arises.

After this brief survey of how the French use their railway, it is obvious that there are few ventures in non-French business in Yunnan. Persons are not apt to play in a game where they know in advance that the cards are stacked against them, and every non-French business firm who has ever considered entering the Yunnan field has been able to find on inquiry the conditions I have outlined here. Nor is there any prospect that these conditions will be substantially changed in the predictable future. The still unratified Sino-French commercial treaty does provide for a reduction in transit tax on Chinese goods,—which reduction, if it ever becomes effective, other nations would probably claim under the "most favored nation" clause in almost all international treaties. And the proposed reductions—incorporated in the pact when China was in a much stronger position than today—are probably why France has so far failed to ratify the treaty; M. Baudez told me "discussions about commerce in connection with customs on various articles" were delaying recent negotiations in Nanking on the pact.

I asked M. Baudez whether France would ever be willing to abolish the transit tax entirely if the Yunnan authorities would abolish likin. He believed not. I also asked him whether France would be willing to allow shipment in bond through Tonkin.

"I don't believe it would be possible in the present state of China," he replied. "We never know when Yunnan might revolt against the central government in Nanking."

French Strangle-hold on Yunnan

There is much significance in this statement. I will return to it again in my concluding article when I discuss the grip on *all* of China that France can exercise as a result of her strangle-hold on Yunnan.

Obviously, of course, France would not be likely to allow shipment in bond through Tonkin to Yunnan, for that would be a major blow to her economic domination of the province. Shipment in bond would, to a large extent, convert the railway into a purely commercial enterprise,—and purely commercial enterprises don't usually count for very much in the great game of imperialism.

One of the results of the present system is the high cost of living in Yunnan. With the French able to crush most competition by political tactics, they can charge virtually what they want for their goods, and since the bulk of the merchandise sold is French it it high before it ever reaches Yunnan because as I pointed out in my last article, the French virtual monopoly on imports into Indo-China makes freight rates from Marseilles to Saigon and Haiphong higher than from Marseilles to Hongkong or China proper. Then, of course, there is also the Chinese customs. Further, the Yunnan government imposes likin, officially described as a "consumption tax," on almost all imports, and this amounts to from one tenth to one half of the regular Chinese customs charges. Thus imported products in Yunnanfu are at least twice what they cost in Shanghai, and some Shanghai products are over three times as high in Yunnanfu as in Shanghai. Shanghai beer, for example, costs at least $1.87 Shanghai currency for a large bottle in a Yunnanfu hotel!

The Yunnan railway, it is of interest and importance to note, constitutes the only major French investment in the province. There was a project back in 1914 for another railway from Yamchow (or Chingchow) on the Kwangtung coast, between Pakhoi and the Tonkin border, to Yunnanfu and thence *via* Suifu to Chungking in Szechwan. A contract for the construction of this line was negotiated between the Peking government and the Banque Industrielle de Chine which subsequently went bankrupt, but not until after some money in connection with the contract had been advanced to the Chinese government. The Banque de l'Indochine is in effect, if not in name, the successor to the Banque Industrielle de Chine, but nothing has ever been done about the railway contract.

The fact that the money advanced to China by the bankrupt bank has never been repaid precludes, according to some authorities, construction of a line by the Chinese on the route outlined in the contract. China could presumably build on another route that would be equally desirable, or build on the route outlined after repaying the money. The question, however, is extremely academic. In the first place, China is in no position now, nor will be at any time in the predictable future, to construct anywhere a railway as extensive as this would be. Further, judging by the way in which the question of parallel railways in Manchuria has been decided, it would be up to Paris and no other authority to say whether construction on the route in the contract, or on any other route, would be allowed.

The contract contains no clause by which it ever becomes void if its terms are not carried out, and there is reason to believe France would oppose construction of any railway by other than French interests in the territory affected. It is obvious that such a railway would be extremely potent both politically and economically in Kwangtung, Kwangsi, Kweichow, Yunnan and Szechwan.

In a petition against the contract, Chang Wei-han, commissioner of foreign affairs in Yunnan, pointed out the "Kwangtung and Kwangsi are under the French sphere of influence, while Yunnan is dominated by the French." He also declared that the contract "is the French instrumentality to annex China." I pointed out Chang's subsequent and, most likely, consequent fate in my opening article.

Under the contract it may be assigned to any other group or company of French nationality, but nothing has ever been done about it since the bank failed. In present conditions it is not likely that France is prepared to carry through the contract, but its existence puts her in a powerful position in the area involved, particularly as long as she is dominant in Yunnan,—and she can continue to hold dominion there as long as she is able to utilize the Haiphong-Yunnanfu railway in the manner now prevailing.

(Tin and opium are the two principal items in the native economy of Yunnan. They and their importance in the French control of the province, together with more data on the thorny path of non-Gallic business in a Gallic area, will be presented by Mr. Burton in his next article of this series.)

Japans Does Not Wish Netherlands to Participate in Negotiations

The Japanese delegation attending the forthcoming Anglo-Japanese trade parleys to be held shortly in London for the solution of various pending commercial problems between Great Britain and Japan, reached Southampton Sept. 6.

The British government has postponed the proposed revision of duties on silk and artificial silk in view of the forthcoming Anglo-Japanese discussions. Whereas Britain is insisting on the desirability of the inclusion of the Netherlands in the Anglo-Japanese trade parley in London, it is reported in Tokyo that Japan may oppose such arrangement on the ground that the participation of any third country in the deliberations either in London or in Simla might impede the progress of the actual consultations, or even worse, might result in a breakdown of the negotiations.

Three members of the staff on the British Legation to Afghanistan were murdered on September 7 by an Afghan subject. The culprit was arrested.

Why the Turks Expelled Vickers' Agent, V. Lander

A London message dated Aug. 5 to the *Chicago Tribune* gave further details of the expulsion by the Turkish government of V. Lander, Vickers-Armstrong agent. He was expelled from Turkey without warning, charged with espionage, corruption of state employes and lese majesty. Newly published Turkish laws on the pattern of those enacted by the Italian and German Fascists make these offenses punishable by death if committed by a Turk and by summary ejection in the case of a foreigner. It is alleged that Lander illegally used his connection with the Turkish war office to enter certain forbidden military and naval zones such as arms factories and arsenals. He was accused of collecting information about the production of the cartridge factory at Istanbul prior to his departure on a business visit about two months previously to London. It was also declared that Lander had obtained copies of plans and production figures by bribery. It was asserted that the Turkish authorities are investigating further charges that Lander supplied inferior materials in the shape of certain small parts required in the manufacture of aircraft with the object of shaking confidence in native planes and thereby advancing his own interests as an airplane agent. Turkish sources also alleged that Lander committed lese majesty by jeering at the government of modern Turkey.

The action of Turkey in the Lander case has many points of similarity with the action taken by the Soviets against six Britishers last April. The two principal British defendants in that case were MacDonald and Thornton. MacDonald caused a sensation by pleading guilty to all the charges preferred against him in the indictment, which was based in large part on confessions he had made before the trial. In these confessions he had implicated the other Britishers, who stoutly denied at the trial that they had been guilty of espionage, bribery or "wrecking." It was revealed also that Thornton had made a signed confession, in which he stated that C. T. Richards, export manager of the Metropolitan-Vickers in London and alleged to be a member of the British secret service, had conducted political and economic espionage in the Soviet Union through twenty-seven employees of the firm.

Y.M.C.A. Delegates Return from Conference in Philippines

Local delegates to the Far Eastern and Indian Area Conference of the Y.M.C.A., including S. C. Leung and Eugene E. Barnett of the National Committee of the Y.M.C.A. of China and Chang Fu-liang of the National Christian Council, have returned to Shanghai from the conference at Baguio, mountain resort in the Philippine Islands. Tientsin and Canton also sent representatives to the conference.

In Manila the delegates were guests at receptions and dinners given by President Quezon of the Philippines Senate, President Plama of the University of the Philippines, Justice Santos of the Supreme Court and national Y.M.C.A. leader, the Chinese community in Manila, and others.

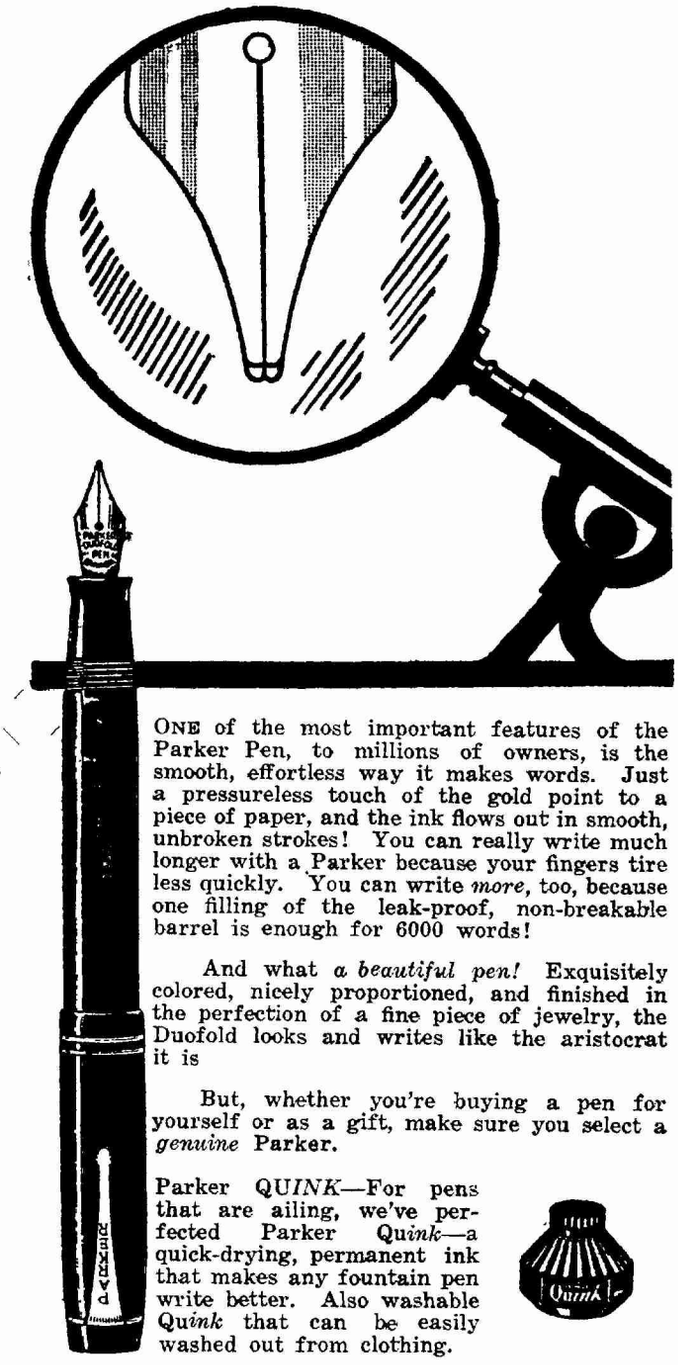
In a farewell banquet given by the Manila Y.M.C.A., Governor General Murphy made a notable address praising the work of the Y. M. C. A. as he had experienced it in France during the world war, and in its peace time service in cities in America and abroad.

Shanghai Merchants Recommend a "Positive" Humiliation Day

In a petition to the Central Party Headquarters, the Greater Shanghai Chamber of Commerce Sept. 8 recommended the adoption of positive measures for the commemoration of "September 18"—the anniversary of the Shenyang (Mukden) Incident in 1931.

The message points out that although China is backward in politics, science, economics, agriculture, industry and commerce, she nevertheless holds the world record for national humiliation days. The Chamber recommends that on Sept. 18, besides holding memorial services and hoisting the national flag at half-mast, the various organs and civic organizations should prolong their office hours; the students should be given extra lessons; the factories should prolong their working hours; and the merchants should designate the day for a native products movement in order to arouse the interest of the country in the purchase of domestic goods.

TOUCH THE POINT TO PAPER AND EFFORTLESS WORDS FLOW OUT!



ONE of the most important features of the Parker Pen, to millions of owners, is the smooth, effortless way it makes words. Just a pressureless touch of the gold point to a piece of paper, and the ink flows out in smooth, unbroken strokes! You can really write much longer with a Parker because your fingers tire less quickly. You can write *more*, too, because one filling of the leak-proof, non-breakable barrel is enough for 6000 words!

And what *a beautiful pen!* Exquisitely colored, nicely proportioned, and finished in the perfection of a fine piece of jewelry, the Duofold looks and writes like the aristocrat it is

But, whether you're buying a pen for yourself or as a gift, make sure you select a *genuine* Parker.

Parker QUI*NK*—For pens that are ailing, we've perfected Parker Qu*ink*—a quick-drying, permanent ink that makes any fountain pen write better. Also washable Qu*ink* that can be easily washed out from clothing.

PARKER

DUOFOLD

THE EASY-WRITING PEN

Sole Wholesale Agents:

DODGE & SEYMOUR (CHINA), LTD.

3 Canton Road, Shanghai

66-119

Has the Chinese Nationalist Revolution Spent Its Force?

(By a Correspondent in Peiping)

THE approaching date for the convening of the Fifth Plenary Session of the Kuomintang Congress prompts in us a retrospect of the party and its mission—the nationalist revolution. The history under review is, to be sure, not a very encouraging one. And this not so much because the nationalist revolution has so far accomplished very little as because it has shown signs of a well-nigh spent force.

In point of fact, what the nationalist revolution has done, little and perhaps insignificant as it is, should still be regarded as no mean achievement. The decive victories of the revolutionary army over the militarists' mercenaries, the push of Kuomintang toward the Yangtze (though somewhat retarded by the rift between it and the Communists), and the establishment of the Nationalist Government at Nanking—these happening in quick succession, 1926-1928, were landmarks of a remarkable movement in so short a period of time. The truth was that the revolutionists who fought for a cause found themselves everywhere irresistible. They had the sympathy of the masses and the favorable opinion of the intelligentsia on their side. So their military successes were mere confirmations on the field of their conquest of the mind of the nation.

But the year 1928 drew the line. Since that time the nationalist tide has been on the ebb, although the capture of Peking and the apparent unification of the country through the allegiance of the Northeastern Provinces were to follow in due time. Gradually the effect of the Kuomintang-Communist cleavage began to make itself felt in reduced worth and vitality of the former. This in itself would not bring about a crisis, had the few leaders who had refused to betray the nationalist movement to the Third International further resisted a worse temptation, i.e., meaningless and wasteful fratricidal struggle. Fate, however, willed differently.

The Weakening of the Kuomintang

The chief source of the weakness of the Kuomintang must be traced to its inconsequential membership. It is no exaggeration to say that the "purge" of the Reds, 1927-1928, must have taken the cream of the revolutionists and the main wind from the sail of the nationalist movement. This occurred in two ways. In the first place, the emnity and bloody mutual persecution between the two wings of the once unified camp cost the lives of many honest and promising party workers who, but for the difference in ideals, would have been invaluable promoters of the nationalist revolution. Secondly, a considerable number of young and enthusiastic members of the Kuomintang, embittered by the compromises which their party had made with reactionary forces so as the more easily to suppress the Communists, either left politics in disgust forever or bolted the party to join the Reds. One way or the other, the result was the same—which meant the weakening of the membership of the Kuomintang.

Those nationalists who survived the first and most violent stage of their struggle against the Communists in general have not inspired hope or respect. Neither have the new-comers who were recruited to fill the vacancies introduced any fresh blood. Opportunists more or less, both old and new members do not seem to have any clear conception of party principles and of the mission of the nationalist revolution; they became Kuomintang men as a matter of occupational expediency. They are at best aggressive, demagogic directors of local Tangpus, but more often a law unto themselves and a terror to their districts. As the party has had its hands full during these eventful years, its discipline and control over them has become so lax and ineffectual as to be tantamount to nothing. Hence the soulless rabble that characterizes the rank and file of the Kuomintang.

Divided Leadership

If weak membership is a drawback, divided leadership must be a worse one. It is a most tragic fact in the history of Kuomintang that the handful of leaders to whom Dr. Sun Yat-sen passed his mantle in 1925 should have found it so difficult to co-operate. Men who had shared at one time or another the common fate of exile or involuntary retirement and had, one and all, been loyal to the doctrines of their late chief even to the extent of suffering a costly breach with the Communists, were expected to work in harmony for the greater and harder task of national reconstruction. Instead of this, they began to fall out among themselves as soon as they tasted the bread of supremacy. Factional strife not only has since prevailed, but was more than once allowed to take the most condemnable form—that of civil warfare. So the quelling of the Kwangsi clique in control of the Wuhan Government in 1928, the indecisive struggle against the Kuominchun in 1929, and the suppression of the Yen-Feng movement in 1930 came and passed, sapping the vital strength of the nation and reducing party unity and discipline to a nullity. Even today, when four provinces are lost, Nanking and Canton cannot see face to face with each other concerning the outstanding issues which confront the party and the nation.

Kuomintang in a Precarious Position

What with weak following and divided leadership, the Kuomintang is in a precarious position. Its campaigns against the Communists have so far been futile. Its military arm, irresistible and almighty only a few years ago, is now repeatedly defied by the Reds. This changed situation lends force to the Chinese saying that when two armies meet, the one with a grievance is sure to triumph. The grievance of the nationalists was a thing of the past, they having quite forgotten that their revolution is, as their late leader put it, still an unfinished task but adopted the deplorable institutional attitude of yielding up no fruit of victory without a struggle. It is, after all, material things, not the completion of a lofty mission, they are after. On the other hand, the Communists are fighting for a cause under persecution, however unsound that cause may be. And the feeling of oppression certainly gives them heart and strengthens their hands. This psychological difference explains in large measure the formidable resistance which the pacification of southern Kiangsi and adjoining Red centers has met. Unless it is thoroughly understood and a moral awakening effected in the nationalist units, the Reds will continue to be a serious problem.

On top and as the result of party dissensions and a virtual stalemate against the Reds is a disastrous foreign policy. Before September 18, 1931 we were pretentious to a degree to which our national strength did not measure up. But after that fateful date we seem to have swung to the other extreme by completely losing national self-confidence and doing nothing except praying for foreign support. Unfortunately, even in this helpless, begging policy there is no indication of national unity. The susceptibilities of Canton were evidently too many and too acute. Again, a movement launched in Kalgan allegedly against the common foe was found very embarrassing to Nanking. In either case, the low level of political morality was touched when partisan strife should have tried to give itself a new lease of life by feeding on some minor, though disputable, point of the country's policy towards a momentous issue. Expediency, indeed, knows no decency. And the same weapon for offence will be equally serviceable for defence. Therefore the rumored reorientation of Nanking's stand vis-a-vis Japan may be a simple warning that the ruling party is driven to soft-pedal its resistance policy in order to consolidate its domestic position and to perpetuate its supremacy over its political rivals. Whatever the justification, the country stands to lose if our fears were confirmed.

A Series of Follies

By a series of follies the Kuomintang has gone far to alienate the sympathy of its well-wishers and forfeit popular confidence. A great majority of those who not so long ago welcomed the nationalist regime with ecstasy and enthusiasm have been grossly disillusioned. They now accept it as of necessity, not by choice. Nay, the man in the street goes about his own business, hardly aware that any radical change for the better has been ushered in by the new order. The country is growing tired of the administration at Nanking—tired of its corruption, its inefficiency and its inability and unwilling--

ness to break away from the past and the traditional. When the heart of the people has turned back, something serious is portended. For on the rock of popular disaffection has foundered many a ship of state. It is therefore high time that leaders of the Kuomintang should set their party right and revive its healthy, fighting spirit, or else withdraw from Chinese politics altogether.

All said and considered, it remains nevertheless true that the Chinese people are patient to an extraordinary degree and that they would rather tolerate a burdensome government than go the length of bloodshed and violence to set up one after their own heart. But that patience, too, has its limit beyond which it is unsafe to strain. The signs of the times being what have been presented in the foregoing paragraphs, the high dignitaries of the Kuomintang would do well to think and find a satisfactory solution, on the eve of the Fifth Plenary Session of the Party Congress, to the challenging question, "Has our Nationalist Revolution spent its force?"

Re-opening of Hanyang Iron and Steel Works Is Urged by Prominent Chinese Newspaper

Commenting editorially on the report that at the 3rd Annual Conference of the Chunghua (China) Engineering Society a resolution was adopted to petition the Hupeh Provincial Government for the re-opening of the Hanyang Iron and Steel Works, the *Sin Wen Pao* in a recent issue made a public appeal in support of the said resolution.

Reviewing the history of the Hanyang Iron and Steel Works, the journal pointed out that at first the Works was a Government enterprise, but later owing to lack of funds, it was transformed into a private business. Due to business depression, however, it was later found necessary to seek loans from foreign sources. A loan from Japan was therefore secured, which gave the Japanese the right to purchase iron ore from Tayeh at reduced rates; this was really the beginning of the Works' troubles.

The *Sin Wen Pao* reiterated the extreme importance of re-opening the Works in view of the fact that while it has remained idle for so many years, the Japanese have been taking advantage of their loan agreement to purchase iron ore from Tayeh at reduced rates. This material is, of course, converted into armaments, and if the matter is allowed to continue unrectified, it will only be another serious mistake on the part of the Government authorities. In view of the fact that the banks are experiencing considerable difficulty in the disposal of deposits in their vaults in sound investments, the *Sin Wen Pao* argues that not only would it contribute to the development of the iron and steel industry but also help to solve the problems of the bankers if definite steps are taken to re-open the Hanyang Iron and Steel Works.

Will Herr Hitler Become Germany's Foreign Minister?

It is persistently rumored in Berlin, though it has been officially denied by the Ministry of Propaganda, that Herr Hitler, the German Nazi Chancellor, is going to take over the Foreign Ministry.

A resolution was adopted at the Jewish World Conference, Geneva, Sept. 8 declaring that economic and other relations with Germany were impossible as long as the persecution of Jews in Germany continued.

In consequence of rumors to the effect that a German secret society had put a price on his head, Professor Albert Einstein, of relativity fame, has gone on an extended ocean yachting trip.

General Han Fu-Chu Reviews His Work in Shantung

General Han Fu-chu gave a brief review of the work of the Shantung Provincial Government, of which he has been Chairman, during the past three years, at a public meeting in Tsinan Sept 10. It was his persistent policy, he said, to support the Party and the Government. To this end, the Provincial Government had spared no effort in suppressing banditry and also in purging the provincial administration of all traces of corruption. Military, financial, educational and other official reports on the work of the Provincial administration were made by the various Commissioners of Provincial Departments concerned.

For Fast and Efficient Radio Telegraph Service to all Parts of the World Send

RADIOGRAMS

"via CGRA-RCA"

RADIO IS THE QUICKEST AND MOST RELIABLE MEDIUM FOR ALL TELEGRAPHIC COMMUNICATIONS. IT HAS BROUGHT ABOUT RATE REDUCTIONS AND INAUGURATED NEW CLASSES OF SERVICE TO MANY COUNTRIES....

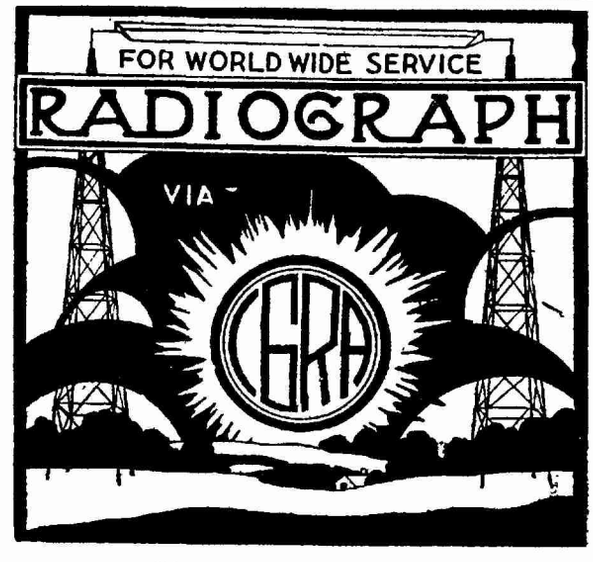
In CHINA file your messages "via CGRA—RCA"

(Chinese Government Radio Administration R.C.A. Communications, Inc.)

R.C.A. Communications, Inc.

(A Radio Corporation of America Subsidiary)

Office of Representative—Sassoon House—Shanghai.



File your message at

Chinese Government Radio Administration

Main Office.....Sassoon Arcade

Branch Office.....15 Avenue Edward VII

Phone 11130

66-121

The Present War Psychology

BY C. Y. W. MENG (孟昭泳)

THE Manchurian situation, created by the forcible Japanese invasion and occupation of the four Chinese North-Eastern Provinces, has undoubtedly disturbed the whole world, and created, a "war psychology" similar to that of 1914.

This war psychology is principally to be noted in Japan and China . There are many reason for this. The Japanese militarists who started the fire now try to increase the enthusiasm of their people and to incite them to give the militarists more assistance and hearty support in their efforts to effect the increase of the military expenditures in the national budgets; to wrest Manchuria from China; and to tear down the London Naval Pact, etc. So they purposely talk very much about the possibilities of an outbreak of war with America or Russia. Anti-American feelings are thus aroused; American firms are attacked, and the American consulates have to be heavily guarded.

1.—America vs. Japan

America is alleged to be a "good friend" of China. So when China is in difficulties, America is supposed to come to China's aid. America saved China from "partition by means of the timely 'Open Door' Principle," so China hopes that America will give China more aid in pulling the Chinese nut out of the fire. Some Chinese have so much confidence in American help, that they speak with certainty that America is sure to come to help China "even if it involve America going to war with Japan." These people further point out that the good offices offered by the American Government in the Russo-Japanese war did not please the Japanese much, for as a result of the "mediation," Japan could not demand any indemnity from Russia. Since 1905, the American-Japanese feeling has been by no means friendly. This feeling was made worse by the enforcement of the so-called "Gentlemen's Act" by the American Government which was intended to ban the immigration of the Japanese into America,—which the Japanese consider as a "national humiliation." Since then, a bitter feeling between Americans and the Japanese has been in evidence, and much talk about the outbreak of war between America and Japan, and so both of them are supposed to be ready for war at present, based mainly on the Manchurian situation.

These people are apparently ignorant of American policy towards China. To our mind, American policy towards China is by no means friendly and satisfactory. It must be admitted that America did save us in 1898 from partition by the foreign powers. But one must study the historical backgrounds of the Open Door Policy:

The Background of the Open-Door Policy

(1) What animated the American Government to propose the Open Door Policy to the other powers?

(2) Is the American Government solely animated by humanitarism and friendliness or by other "considerations" in the interest of Americans themselves?

(3) Does the same situation which caused America to act in 1898 also exist today?

All these questions should be studied before we guess what the Americans will do in the present Sino-Japanese crisis.

The Open Door policy and Integrity-in-China policy have won a friendly feeling from the Chinese, but in reality, these policies do not make the Americans rich. But what America really got is a paramount position in the Caribbean. That is to say, America took some action in 1898 for a "consideration" which far outweighed its actual interests in the market in China. Let us ask if there is any such a big "consideration" which would move the Americans to act today? The answer is decidedly "No."! The Americans are even unwilling to sacrifice part of the war debts in exchange for a more common action with England and France in the Far East. Then why should we expect so much "assistance," "timely aid etc.," from the Almighty Dollar; and why should we talk so much about America going to war with Japan merely because of China's case?

If we study more carefully American opinions regarding the present situation in the Far East, we find the American opinions are very divergent and conflicting, and by no means unanimously pro-Chinese, though not altogether pro-Japanese. Many writers themselves strongly condemn American's own action in closing her doors to the Japanese, adding that while America demands the open door policy in China, America herself closed her doors to the other foreigners—which they characterize a "moral wrong." In other words, the Americans have not yet formed any definite opinion about the situation in the Far East. What can we expect from them?

America knows well that the American military strength at present does not permit her to fight against Japan. When the Sino-Japanese hostilities broke out in Shanghai where American and British interests were jeopardized, negotiations at one time went on between America and England to apply economic sanctions against Japan. But the American Commander-in-Chief of Naval forces on hearing of the news is said to have immediately called on the White House and pointed out to President Hoover that it is very "foolish" for America to go to war with Japan, for America would have to lose her Philippine Islands in "one night," and that it would take at least two years for America to fight and take them back. The same opinion was voiced by the Commander-in-Chief of the American Army. For this reason, the President instructed the State Department to cease the negotiations with England for the application of economic sanctions against Japan. It was further reported that since then, "friendly intercourse" has been going on between the American naval authorities and the Japanese naval authorities in Shanghai and other parts of China, solely as a gesture to avoid a conflict between America and Japan. So the whole situation, when analyzed, is this: So far as the relations, feeling between Americans and Japanese, are concerned, they might have caused a war, but at present, apparently, Americans have not yet formed any definite opinion about the Far East, while Japan although she talks very much about a war is merely using this as a means to increase the enthusiasm of her people. In fact the Japanese are doing their best to avoid any war as much as possible.

2.—Russia vs. Japan

When Russia was trying to take away Manchuria from China at the end of the last century, Japan interfered and defeated her in the Battle of 1904. Now, that Japan has taken away Manchuria from China, Russia is supposed to interfere also. Hence, it gives rise to persistent rumors that the present Sino-Japanese crisis will develop into a "Second" Russia-Japanese War. Further, it is often reported that military preparations have been going on for a long time in Russia, because Russia is preparing for a war with Japan.

In view of the fact that the first 5-year industrial plan has just been completed, and the second industrial plan is under progress; and further, taking into consideration the fact that Russia is now facing a menace on the western border due to the attitude of the French and Polish Governments, Russia is not likely to be willing to be involved in the present Manchuria situation. Moscow, therefore, is willing to talk with Japan about the recognition of Manchukuo and the selling of the Chinese Eastern Railway, but apparently with no desire to crystallize the negotiations into any concrete result. At the same time, Moscow is equally willing to talk with China about the restoration of diplomatic relations, conclusion of non-aggression pact, but apparently, such a restoration of diplomatic relations is in Russian eyes merely an ordinary diplomatic procedure in accordance with international law, having no political meaning or significance, though the Chinese are foolish enough to attach much importance to it. In other words, Moscow is not sincere either in action and words and her policy is essentially a policy of "sitting on the fence."

As regards Japan, she has no intention to go to war with Russia when she is engaged in a life-and-death struggle with China for Manchuria. So before the Japanese invasion of Manchuria, Japanese professional propagandists, diplomats, officials, etc., were set to work to seek for a better understanding with Russia. A petroleum contract was signed whereby Japan promised to take so many gallons of Russian surplus petroleum.

3.—Anglo-America vs. France-Japan

During the Great War while America and European countries were engaged in a life-and-death struggle with Germany, Japan took advantage of the situation to oc-

cupy Tsingtao, to present 21 Demands to China which made China virtually a vessal state of Japan. Both the American and British interests in China were threatened. Faced with such a situation, it is true that after the year 1919, there was a sort of "Anglo-American co-operation," animated, of course, solely by the desire to maintain their present economic *status quo* in China and to put up obstacles against Japan's advance in China. So while Japan was lending money freely to the Chinese politicians, America proposed and organized an international consortium, more or less as a counter move against Japan. Due to American pressure, the Anglo-Japanese Alliance was abolished in 1922. Since 1918, the Chinese have declared economic boycotts several times against the Japanese. But the Japanese conception is that the American and British influence was really behind the whole movement. So the Japanese accused America and England as jointly trying to "kick" Japan out of China.

A Possible Franco-Japanese Alliance

After Japan defeated China in the first Sino-Japanese war, Japan was made to give up the Liaotung peninsula owing to three European nations combining against her. In the following years Japan made her plans more carefully, and fully protected herself with agreements and alliances before going into further military adventures abroad.

As early as 1907 the Franco-Japanese Agreement was already concluded by which the two governments bound themselves to respect the independence and integrity of China. They recognized, however, special interests in the "regions of the Chinese Empire" adjacent to their own territories, meaning specifically, adjacent to Korea and Indo-China, both of which were vassal states of China until Japan and France respectively invaded and latter annexed them. In view of these "special interests," the two governments agreed to mutual support in maintaining the security of the regions of China referred to, and of the territorial rights of the two contracting parties on the continent of Asia. Japan also, entered into a secret treaty with France in 1917 which would assure her of Kiaochow.

In the course of the Japanese invasion of Manchuria, there have been frequent reports about Franco-Japanese secret understanding, secret pacts etc. This is more or less verified by the French occupation of the Coral-Islands in the South-China Sea and the renewed French activities in Yunnan.

Washington and London Not Cooperating

We know well the effectiveness of the so-called Anglo-American co-operation in setting certain international problems, particularly the present Manchurian situation, but unfortunately, such co-operation, vital as it is, and though it was in evidence following the Great War, does not exist today.

During the Japanese military actions in Manchuria, the Tokyo government received in January a note, rather strong in tone, from the American Government in which the latter called the attention of the former to the fact that the American Government would not recognize any situation created by the military forces in violation of anti-War Pact and 9-Power Treaty. Before the note was presented to Tokyo, Washington did try to seek the approval of London. It was reported that London quite agreed with the U. S. Note. When Tokyo was in receipt of the said note, full attention was turned, not so much to the attitude and probable action of the American government but rather to the possibility of Anglo-American co-operation in dealing with the situation. Great pressure was brought by the Island's professional propagandists, diplomats and officials, to bear upon London that the Japanese, in the course of their action in China, would not fail to respect the British interests in the Far East. London was somewhat "won" over by the Japanese eloquence, and as a result, London did not present an identic note to Tokyo. Having made sure that London would not co-operate with Washington, Japan had the situation well in hand! So after invading Manchuria the Japanese were bold enough to extend their military actions to Shanghai.

But after weeks of fighting in Shanghai when commercial transactions had practically ceased, the British merchants having great interests in the Yangtze Valley, become much worried. At the same time, the American "anger" was somewhat aroused by barbarous actions of the Japanese. The State Department again consulted with the London Foreign Office undoubtedly on the old subject of taking some common action to deal

UNITED
AIRCRAFT & TRANSPORT
CORPORATION

Comprising

Equipment Companies	Operating Companies
BOEING AIRPLANE COMPANY	UNITED AIR LINES
CHANCE VOUGHT CORPORATION	NATIONAL AIR TRANSPORT
HAMILTON-STANDARD PROPELLER CO.	VARNEY AIR LINES
PRATT & WHITNEY AIRCRAFT CO.	BOEING AIR TRANSPORT
STEARMAN AIRCRAFT COMPANY	PACIFIC AIR TRANSPORT
SIKORSKY AIRPLANE COMPANY	UNITED AIRPORTS OF CALIFORNIA
	UNITED AIRPORTS OF CONNECTICUT
	BOEING SCHOOL OF AERONAUTICS

UNITED AIRCRAFT
EXPORTS, INC.

865 Avenue Foch Shanghai

SOCONY
FOR
UNFAILING
DEPENDABILITY
GASOLINE

A
SOCONY-VACUUM
PRODUCT

66-123

with the situation in the Far East. London was somewhat convinced of the necessity of taking some common action to end the Sino-Japanese embroglio. Tokyo was again quite dismayed on hearing that Washington and London had at last reached some understanding regarding the situation in the Far East, though their actions might be different. So Saito at once instructed the Japanese ambassador in London to inform London that Tokyo was quite willing to abide by the decision of the League of Nations and would not go on with the military actions in Shanghai. That explains why the fighting ceased and why the Japanese were so willing to withdraw their troops much quicker than agreed upon.

Many people are of the opinion that in view of the British traditional policy and relationship with France and Japan, there is great likelihood that Great Britain would go to the side of France and Japan rather taking join hands with the Almighty Dollar. This presumption is supported by the report that in November 1928 official moves were made by the Japanese Government to reach a new accord with Britain on the basis of a common policy in China, with the recognition of similar interests in the country, both having enormous investments as well as being the leading nations in China's commerce, possessing important leased territories, and claiming special interests over great territories, Japan in the northeast and Britain in Tibet, which appears today to be virtually a British protectorate.

The reported British recognition of Japan's "special interests" in China's northweast Provinces was followed within two months by a report that Japan was plotting with a Fengtien leader for the establishment of an "independent" Manchuria with Japanese support. Many foreigners refused to give credence to the report at the time, but in view of recent developments there seems no adequate reason reject it.

5.—England-America-France-Japan vs. Russia

It is also thought by some that the Japanese invasion of Manchuria is generally regarded by Russia as the first of a series of invasions of the imperialists—that is, invasion of China first and Russia next. So Russia would be forced to go to war with Japan, while the latter might be assisted by other "imperialistic" nations, such as England, America, France. It would become a war between "communism and imperialism." It is further pointed out that the purposes of present Russian military preparations—which should be considered vigorous—is for war with the imperialists.

Though there is such a talk and a possibility, it is very remote to think of its coming. Russia might be strong enough to have a fight against Japan alone, but she is certainly unable to fight against the rest of the world, neither at present, nor for at least 50 years in the future.

Japanese Policy Analyzed

Realizing all these facts, the Japanese are clever enough to shape their policy in the following directions:—

(1) To conduct an extensive propaganda campaign in different countries: In some countries (not including Russia) the Japanese propagandists, etc., tell the people that China is not an "organized state," and that China is not able to prevent the inroad of communism, and that Sovietization of China means the Sovietization of Asia and the world at large; and that the Japanese occupation of Manchuria is merely to prevent the coming of communism to Asia. In some countries (including Russia) the Japanese propagandists, etc., tell the people that the Japanese action is legitimate, being based on the "treaty rights", "special rights", "certain doctrines", etc., and that Japan in course of her action, would pay due respect to the rights of other powers in China. In other words, the Japanese know well how to conduct the propaganda campaign to suit their purposes and to win over the feeling and confidence of the different people concerned.

(2) To take all necessary steps to prevent America and England, America and Russia from joining hands with the League of Nations. It is because what Japan needs today is not so much the "assistance" of whatever form from any power but is rather the "neutrality", "hands-off", and "acquiescence" from some powers—which are destined to play a great part in the Far Eastern politics. So every Japanese military action in China is always preceded by Japanese diplomatic actions in other countries first. The Japanese are not abrupt people. Unless she is sure there is no obstacle in the way, Japan moves forward. Japan is fully aware of the fact that the German defeat in the Great War was due to the Kaiser's negligence to employ diplomacy together with armed forces. Japan now is employing both diplomacy and military forces in wresting Manchuria from China.

(3) To deal with the different powers individually. Japan knew well that she was sure to be defeated at the League Assembly, where the small powers constitute by far the majority; but what Japan did was to approach the big powers individually for a better understanding. That explains the reason why the League's Resolution was passed, but no action has ever been taken, for, after all, the final action is in the hands of the big powers.

(4) To apply "friendship-drive" to cool down the Chinese feeling immediately after the military action. When the Japanese are taking military actions, they are aggressive. When they have succeeded in occupying the Chinese territory, they become very "friendly" to China, talking very much about the Sino-Japanese cordial relations, etc., with a view to enabling the pro-Japanese Chinese party to return to power. Japan is even willing to make hundreds of promises, and may agree to abolish her extrality in China, etc., but underneath there is one and only one Japanese demand—that is, the recognition of Manchukuo, created by the Japanese militarists, by the Chinese Government.

(5) To apply the old processes to annex Manchuria. By this, we mean (a) to make the conquered territory first "independent" from its mother country; (b) to conclude treaties with the authorities of newly conquered territory; (c) to declare a Japanese "protectorate" over the newly conquered territory; (d) the annexation.

Japan annexed Korea by means of these processes, and she is using the same process in the case of Manchuria.

Nanking, Sept 10, 1933.

Dr. Hu Shih Due Back in Peiping Next Month

Dr. Hu Shih, Chinese philosopher and scholar, who has been in the United States for several months, is due to arrive back in Peiping middle of October. Dr. Hu gave a series of lectures on the general theme "Cultural Trends in Modern China." under the auspices of the Haskell foundation institute. He lectured in the summer school of the University of Chicago and later he went to Banff to attend the fifth biennial conference of the Institute of Pacific Relations as chairman of the Chinese delegation. The *Christian Century* says:—"The interpretation of the situation in the orient by one who is so familiar with both the east and the west could not fail to be enlightening to western audiences. Two significant and disquieting features of his diagnosis were his opinion that China's present weakness, as compared with Japan, is due to the fact that China has no military class, shows little honor to its soldiers, and 'will need several generations to get over its prejudice against the military and to build up a strong army and navy;' and his judgment that the trend of Chinese culture is away from all religion, the attitude of the leaders of thought being that religion is an enemy of progress and must be replaced by science by which alone both the moral and the material aspects of life can be improved."

Dr. Hu is dean of the College of Literature of the National University of Peking.

Public Drawing Is Held for Redemption of Chinese Bonds

The result of the public drawings for the redemption of various Chinese loans, held at the Shanghai Chinese Bankers' Association Sept. 9 under the supervision of the representatives of the Ministry of Audit, the Shanghai Chinese Bankers' Association, the Shanghai Native Bankers' Guild, the Shanghai Chinese Chamber of Commerce, and the National Loan Sinking Fund Commission, was as follows, the numbers appended to the name of the loan being the terminal numbers of the bonds drawn:—

(1). 2.4 Million Treasury Notes: 02
(2). 7th Year Long Term Loan: 15
(3). 14th Year Loan: 10, 77
(4). 17th Year Military Supply Loan: 67
(5). 17th Year Rehabilitation Short Term Loan 43, 94
(6). 17th Year Currency Short Term Loan: 10, 13, 28, 39, 48, 51, 65, 72, 84, 06.
(7). 18th Year Famine Relief Loan: 74
(8). 19th Year Customs Loan: 43

A Foreign Car that Passed the Border Without a Chinese License

Charles F. O'Brien, a British subject employed by the Nippon Yusen Kaisha, the principal Japanese shipping company, was involved in an incident with the Chinese Police on Woosung road, just beyond Shanghai Settlement limits on the evening of Sept 4. According to his own story he and his wife while driving in a motor car inadvertently got a short distance over the Settlement boundary. The Chinese police, in such cases as that of O'Brien (he not having a Chinese license), attempted to seize the car and convey it to the Chinese police station where it is the usual practice to compel the owner of the car to take out a license in addition to paying a fine of considerable proportions as the price of securing the car back. In this particular instance O'Brien resisted the Chinese police in their attempt to secure possession of the car and according to his statement, when his wife, who was at the wheel, tried to back the car into Settlement territory a crowd gathered, and her way was blocked by a motor truck. The crowd grew larger and one member reached through the window and struck Mr. O'Brien. A Chapei policeman came up blowing his whistle and jumped inside the car, slamming the door behind him and jumping on Mr. O'Brien, who was seated beside his wife. Another policeman came in and jumped in on the other side and landed a vicious kick at Mrs. O'Brien. Mr. O'Brien said he spoke to the police in Mandarin and offered to go with the policemen to a Settlement police station but this was refused. The crow grew unruly and both the police and members of the crowd badly handled them, both receiving hits and kicks on the head and legs. One man grabbed Mrs. O'Brien by the hair, she being hatless at the time, and another tried to drag her out of the car. It was impossible to move the car as somebody had removed the ignition key, but it was later put back. As stones were flung at the car, Mrs. O'Brien succeeded in driving the car and, pursued by the mob, she made a dash for Szechuen Road in Settlement territory. This, be it noted, is the story of the O'Briens. They reported the matter at the Hongkew Police station.

The Chinese Version

A somewhat different version of the incident was given by Inspector Liang, Fifth Division of the Bureau of of Public Safety, in his report of the affair to Nantao Headquarters. According to the version of the incident given by Inspector, Liang, the first Chinese policeman of the Bureau of Public Safety on duty at the border raised his arm, trying to stop the car from advancing further. Mrs. O'Brien, who was driving with her husband sitting beside her, did not obey; instead she motored as far as the market-place which is about 100 feet inside Chinese territory, where another Chinese policeman on duty took the situation in hand by boarding the car with the intention of bringing the car and the couple to the sub-station office bordering on North Szechuen Road. The pair remained passive while driving in the Chinese district on their way to North Szechuen Road, which is an extra-Settlement road from Range Road northward, with areas on both sides under Chinese jurisdiction. At the corner of Jukong and North Szechuen Roads, Mr. O'Brien suddenly tried to push the Chinese policeman from the car by choking him and punching him.

The policeman blew his whistle, but the whistle was immediately snatched away by Mr. O'Brien. To prevent the pair from running away in the motorcar, the policeman took away the key of the vehicle. Chinese Police Constable No. 3023 on duty at the juncture of Jukong and North Szechuen Roads came around. As the car was then standing on North Szechuen Road, he persuaded the bureau policeman to let him escort the two foreigners to the Hongkew Police Station first.

According to Inspector Liang's report, the two foreigners consented. Whereupon policeman No. 3023 managed to return the whistle and the motorcar key to their respective owners. But while policeman No. 3023 was starting to escort the two foreigners to the Hongkew Police Station, they suddenly started the engine, dashing away on North Szechuen Road.

Vermont voted "wet" by 2 to 1 Sept. 5. Maine, the original Prohibition state, went "wet" Sept. 12—the 26th state to do so. A total of 36 states is required to effect repeal of Prohibition.

亞細亞

OLINSOL

IDEAL DISINFECTANT

fully as effective as similar imported products but considerably cheaper.

Manufactured by our Factory

INTERNATIONAL DISPENSARY

581 Foochow Road, Shanghai

五洲大藥房

ALWAYS TIRED?..

Most Decidedly A Case For

PINKETTES

Liver & Laxative Perfection.

66-125

Will Generals Ma Chan-shan and Su Ping-wen Retire?

BY PAUL K. WHANG (王仲芳)

THE patriotic Chinese who have pinned a great hope on Generals Ma Chan-shan and Su Ping-wen, the two famous volunteer commanders, for recovering China's lost territories, the news of their temporary retirement can not but be read with great disappointment. General Ma, according to the report, has decided to take up his permanent residence in Shanghai, while General Su, because of his love of scenic beauty of Soochow, has been reported as intending to live a life of retirement in that famous city. Both of them have announced that they have no intention of going to North China in the near future.

Both General Ma and General Su were made national heroes by the circumstances arising out of the Japanese invasion of Manchuria. Their bravery in leading first their soldiers and later their volunteers to fight the Japanese invaders was admired by the people throughout the country. Their movements, after having been compelled to retreat into Russian territory last winter, were watched with fear and anxiety. And their homecoming on June 5th this year by way of Europe was heartily welcomed by the Shanghai people.

It has been the general belief that both generals would not quit their "game," and that after a short rest they will resume their former anti-Japanese activities. In their public addresses and private interviews, they promised to proceed to North China to reorganize their followers and to renew the volunteer activities, after they had conferred with the government leaders. Many of the public organizations have been long preparing to give them a big farewell party with the hope that the heroes will meet with a better fate in their future endeavor to recover China's lost territories.

But after a lapse of more than three months during which the returned heroes have been busily engaged in attending receptions accorded to them by public bodies, visiting famous cities in this part of China, and consulting the government leaders including General Chiang Kai-shek and Wang Ching-wei, nothing has yet been said of their date of departure for North China, in spite of the fact that their former followers in Sinkiang have been clamoring for their immediate return. Instead, they have announced that they would not proceed to North China in the near future.

What Detains the Heroes?

What has detained the returned heroes from carrying out their determination to fight the Japanese? Can it be true that they have now changed their mind after having had many interviews with the government leaders? Do they follow the example of many others in accepting the Manchurian situation as a fait accompli? Do they contend to prolong their stay in either Shanghai or Soochow and leave their former followers in the lurch without giving them any assistance?

Their admirers have assured us that their determination is as firm as ever, and that the reason for their prolonged stay in either Shanghai or Soochow has been to await the arrival of T. V. Soong, Minister of Finance, because they can not go to Sinkiang to reorganize their former followers with empty hands. With the arrival of Minister Soong from the World Economic Conference, they can, we are told, secure the necessary financial assitance from the Nanking government, thus enabling them to consummate the works left unfinished.

Others have alleged that the returned heroes have been very much disappointed at the cool reception of the government leaders, and also at the report that the Nanking government is now pursuing a new policy toward the Japanese government. They have further said that since the high officials are now talking about the Sino-Japanese rapproachement, why should they take the trouble of fighting the Japanese singlehanded. This is said to be the reason why they have resolved to retire at a time when the Sino-Japanese crisis is not yet over.

The cynics, however, have doubted if the returned heroes will play once again their former role in fighting the Japanese. They have contended that they have lost their fighting spirit after living amids luxuries and comforts in Shanghai and Soochow, because the atmosphere of these two cities is so subduing that a ferocious tiger can be transformed into a tame lamb. Moreover, they have averred that good warriors, after once testing the luxuries of life, are apt to value their lives more than anything else, hence they no longer have the temerity to face the Japanese guns.

Whatever may be the reason which has detained the returned heroes from going to the North, one thing, we are very much sure of, is that they must be disappointed on many scores. The disunity of the country coupled with the frequent internecine warfare and political bickerings must dampen the spirit of the returned heroes who fought single-handed against the Japanese soldiers. To their further disappointment, the government leaders, instead of devising measures to recover the lost territories, have not been seeking a new policy which will be more acceptable to the Japanese warlords.

From the attitude of the people, neither can the two volunteer commanders find some encouragement. Many of our people have already forgot their national humiliations and have accepted the Manchuria situation as a fait accompli. The import of Japanese goods has been increasing every month, and the boycott movement has become a thing of the past. In these circumstances, why should they continue to lead the volunteers to fight the Japanese, while our people are in a more or less dormant state?

What is the most discouraging of all is the mysterious disappearance of the public contributions for the support of Chinese volunteers in Manchuria. Of the total contributions made by Chinese both in China and abroad amounting to from $20 to $30 millions, only a little over $1,700,000 have been accounted for, while nine-tenths of these huge contributions are still missing. It is obvious that many of the individuals and organizations have utilized the good name of patriotism in soliciting contributions from the public for their private purposes. No one will be more discouraged then Generals Ma and Su, whose good names were utilized in appealling to the public for contributions.

In face of these disappointments and discouragements, Generals Ma and Su can not be expected to be enthusiastic in taking upon themselves the task of recovering China's lost territories. They have already done more than what any one can do in the similar circumstances. They have undergone great privation and suffering, and made a huge sacrifice for the sake of their country. Special tribute must be paid to General Ma who was successful in making many narrow escapes from the Japanese hands, and whose death, as a matter of fact, was announced many times in the Japanese press.

Why Pass the Buck?

Even if they will proceed to the North and resume their former activities, what good can they do to their country when many of our people have already forgot their national humiliations? Manchuria and Jehol can by no means be recovered by the volunteers, and they must be recovered by the united efforts of Chinese people. Why should we pass the buck to their hands when we have the same responsibility and obligation to our country as they have?

Therefore they are not detained by their love of scenic beauty or luxurious life. Their determination to fight the Japanese is far from being shaken, and their fighting spirit is too high to be subdued. But what deters them from playing their former role is the fact that they are not sure of whether their activities will be supported by the Nanking government and the Chinese people. They have no mind to stage a one-man's show to amuse the on-lookers, while the government and the people have assumed an attitude of indifference and aloofness. Unless they can ascertain the policy of the Nanking government and the attitude of the people, they are content to live a life of retirement, although this temporary retirement is much against their wish.

Instead of speculating on the motives behind the inactivities of these two returned heroes, we must blame our government leaders for their lack of a definite foreign policy in coping with the present crisis, and also our people for their readiness to forget their national disgrace. It is only a fool who would draw his sword to defend a cause in which the public is no longer interested. Since Generals Ma and Su are not fools, they, therefore, have to retire themselves and leave Manchuria and Jehol to whatever fate the gods may dictate.

Shanghai, Sept. 12, 1933.

Manchukuo Threatens to Arrest Russian C.E.R. Employees

The Manchukuo government has decided to subject the station masters at Manchuli and Imienpo and the head of the locomotive department in Harbin to an examination in connection with the removal of C.E.R. rolling-stock into Soviet territory. Should these men refuse to be examined, the Manchukuo Government expects to exercise its legal rights and place them under arrest. It holds that these three men are directly responsible for the disappearance of the large number of freight wagons and locomotives across the Soviet border during the past year or so.

According to a Harbin newspaper, M. Kritz-Kwat, an engineer employed by the Zabaikal Railway, has been arrested at Manchuli while attempting to leave Manchukuo without a visa.

The White Russian press asserts that the audit of the accounts of the cash department of the Chinese Eastern Railway has proved that, on instructions from M. Rudy, the Soviet general manager, irregular cash advances have been made to various Soviet commercial organizations.

Mr. Barshnikov, a director of the Moscow State Bank, who arrived in Tokyo September 3 as an expert delegate to the Soviet-Manchukuo negotiations for the transfer of the North Manchuria Railway (former Chinese Eastern Railway) is believed also to be interested in securing a long term credit for Russian exports to Japan.

Japanese Pessimistic Regarding C.E.R. Negotiations

Pessimism is generally entertained in Tokyo regarding the future of the transfer of the C. E. R. The Soviets are taking a firm attitude towards the parleys, thus puzzling the Manchukuo delegates.

Tibetan Armies Invade Sikong and Yunnan Provinces

Taking advantage of the incessant civil wars in Szechuan and Yunnan, the Tibetan armies under command of Dalai Lama, militant religious ruler of Tibet, have launched simultaneous drives into Sikong and Yunnan Provinces, according to official reports received at Nanking during the week from Gen. Liu Hsiang, Defense Commissioner of Szechuen-Sikong Border and Gen. Lung Yun, Chairman of Yunnan province. The reports disclosed that a serious situation is being created in the South-western border of China as a result of the sudden Tibetan incursion and that unless effective measures are taken to arrest the Tibetan advance, it may entail great loss of Chinese territories.

According to reports in Chinese papers, Gen. Kao Lung, Commander of Tibetan troops on the west of the Kinsha River, has dispatched an ultimatum to the Chinese Commander, Gen. Teng, at Kangting, Capital of Sikong, demanding immediate withdrawal of Chinese troops last of the Kinsha River and threatening that non-compliance with the demand would mean forcible armed occupation. As a result of the ultimatum, armed clashes have occured on both sides of the River and fighting is in full swing. It is said that in view of the small number of Chinese troops in Sikong, Gen. Teng would not be able to hold out against the Tibetan hordes and unless reinforcements are dispatched from Szechuen, he would have to give up the whole province. Gen, Liu Wen-hui, who was recently defeated by the allied Armies of Szechuan, is reported to be bringing his troops to Kangting and will assume personal command against the invading Tibetans. General Teng has also wired to General Liu Hsiang at Chengtu for reinforcements, but no relief has yet come. In fear of a Tibetan advance into Chinghai (Chinese Kokonor), the Chinghai Provincial Government has stationed two brigades at Chinko Monastery in the southern part of the province.

The situation in north-western Yunnan is also said to be serious and Chungtien, an important city on the border, has been captured by the Tibetan troops. According to reports, north-western Yunnan is very inadequately garrisoned and provincial troops stationed there would not be able to withstand the Tibetan onslaught. Consequently, much anxiety is being felt for the safety of that part of the province. Gen. Lung Yun, Chairman of Yunnan and Commander of 10th Route Army, in his telegram to the Central Government, asked for instructions to deal with the situation and petitioned the Government to issue orders to the Tibetan Armies to cease their hostile activities.

EAT AT

Jimmy's

212 Szechuen Road

The only American Restaurant in Shanghai

TRY JIMMY'S SPECIAL

Branch at 105 Broadway
Open all Night

Coca-Cola

Delicious and Refreshing

Watson's Mineral Water Co.

327 Kiangse Road. Tel. 12726

天章紙廠股份有限公司
TIEN CHANG PAPER MILL COMPANY, LTD.

Manufacturers of Papers as follow:—

Bank note paper, Board paper, Book cover paper Foolscap paper, Ledger paper, Glazed papers, Lien-sze paper, Printing paper, Poster paper, Sanitary paper, Writing papers,

Wrapping papers i. e., Candle, Cotton yarn, Glass, Matches, etc.

Please apply to Room 430, Continental Emporium Nanking Road. Telephone No. 92082.

Cable Address: TIEN-CHANG, Shanghai.

HAVE YOUR MEALS AT

雪園 ·C·U·A· Café

China United Building
104 Bubbling Well Road

WHOLESOME FOOD
BEST DRINKS
REASONABLE PRICES

Manchukuo Tries to Make the Soviet Delegates More Amenable

(From the Review's Correspondent at Changchun)

COORDINATE with divergence of opinions at the Manchukuo-Soviet Conference in Tokyo, there has developed discord between the Soviets and Manchukuo concerning the joint Administration of the Chinese Eastern Railway arising from the wish of Manchukuo to construe certain articles of the Mukden and Peking Sino-Soviet treaties in a way to which the Soviets will not agree. A number of meetings of the Railway Board and the Revision Committee were held during the past three weeks but no result was arrived at.

It is rather puzzling that Manchukuo raises serious questions about the Railway at a time when the negotiations for sale of the Railway at the Tokyo Conference are in progress. A logical reasoning leads one to conclude that before the final results of the conference are known it is useless to raise such serious questions as, for instance, the question about the respective powers of the general manager and the assistant manager of the Railway, who are a Russian and a Manchu respectively. If the conference turns out to be a success, that is, if the parties come to terms as to the sale of the Railway by the Soviets, the management in its entirety will go into the hands of the Manchukuo side of the Administration; and the present disputes and their results, if any, will prove to be quite meaningless. Only in case of failure of the conference can serious questions about radical reforms in the joint control of the Railway be justifiable.

It may be supposed that by putting forth questions the settling of which requires reconsideration and revision of the said treaties, the Manchukuo Railway Authorities are trying to bring pressure upon the Soviet delegation to the Tokyo conference for the purpose of making them more amenable. By insisting upon immediate radical reforms in the management of the Railway in favor of Manchukuo they, perhaps, mean to give the Soviets to understand that if the Soviets do not sell the Railway on the terms offered by Manchukuo, the latter will effect the reforms, or even deprive the Soviets of their rights in the Railway, by arbitrary one-sided acts, similar to those which some time ago were resorted to at the station of Manchuli, when the Manchukuo Police locked the switches on the railway tracks and stationed sentinels to guard them. But reflecting upon resorting to such actions, the Manchukuo Authorities cannot help taking into consideration the fact that the Soviet army stands in full preparedness throughout the whole length of the border line of the new state. The Railway Authorities of Manchukuo are supported in their efforts to obtain best possible results by the diplomats of Manchukuo, who a few days ago handed in a written note of protest to the Soviet consul-general to Harbin, Mr. Slavutsky, in which the Manchukuo Government throws upon the Soviets the responsibility for one hundred frontier incidents.

The Soviets on their part, apparently being disappointed in their hopes of selling the Railway because of the low price offered by the Manchukuo Government, have prepared their own plan of reforms on the Railway and sent it to Moscow for approval by the Government. It is reported that if the plan is approved it will be proposed to the Manchukuo Government through diplomatic channels. According to this plan the number of railway workers is to be reduced to one-third of their present number; the Board of Directors is to be dissolved, and the President of the Railway, a Manchukuo subject, is to have the same powers as the manager, a Russian, which will bring about a strict parity in the management and administration of the Railway; the subsidies to schools are to be withdrawn, and many other expenses slashed or abolished altogether.

***

Manchukuo Protests Against Soviet Atrocities on Manchukuo Territory

Shi-lui-pen, representative of the Foreign Affairs Ministry of the Manchukuo Government to Harbin, presented Aug. 26 at 11 o'clock a.m. to the Soviet consul-general at Harbin, Mr. Slavutsky a note of protest containing the following records of the Soviets' infringing upon the territorial rights of Manchukuo, and committing atrocities:

1). On June 4, 1932, one N.G. Grotoff, a Russian White emigrant, resident of a village located on Manchukuo territory some way north-west from Sakhalian, was seized by the Soviet frontier guards, taken to Soviet territory, and put to prison in Blagoveschensk.

2). On August 5, 1932, the same was done to G.E. Bosperoff, a Russian emigrant, resident of the same village.

3). In December, 1932, a platoon of the Soviet G.P.U. having an intention to seize the chief of the Sakhalian Customs guards, a Russian emigrant, attacked by mistake near the town of Isialanshan a motorcar on its way between the towns of Aigun and Sakhalian with the result that eight Manchukuo subjects were killed by the soldiers of the G.P.U.

4). On January 9, 1933, a score of Russian armed men of the village of Korsakovka headed by Korableff raided the houses of Zhu-Zhan-yun and En-ko-ni, Manchukuo subjects, in the village of Ba-shi-li-zan-tsi, killed 6 workmen, took possession of a lot of provisions and of a sum of money ($40,000), and set fire to 15 houses, which were burnt to the ground.

5). On April 3, 1933, a number of Russian soldiers came over to the village of Ye-si-kan-tsia, shot down Ku-hi-pen, one of the frontier guards there, and set fire to the premises of the Manchukuo post of frontier guards, in the flames of which the body of the said shot guard was burned.

6). On May 9, 1933, the armed group of men mentioned above in paragraph 4, raided the town of Yu-zha-yui, took possession of 70 bags of flour belonging to several persons, and carried the flour to Soviet territory.

7). On May 22, 1933, one Chikireff, a Russian of the village of Korsakovka, in company with other two Russian men, raided the house of Zhu-zha-yui and carried away 3 bags of flour.

8). In May, 1933, a number of Soviet subjects attacked the post of Manchukuo border guards at Bar-ka-li-tsia, in the district of Mo-ho, and burned eleven houses.

9). On June 22, 1933, several Soviet officials forced Gao-hu-bo-ho-hi to sell them at a very low price two hundred cubic sazhens of fire wood, which the Soviet officials caused to be carried to Soviet territory,

10). On July 2, 1933, two Soviet subjects shot down two Manchukuo subjects and put to sword one Russian woman in section No. 7 of the district of Hu-ma.

11). On July 3, 1933, four Soviet subjects raided the town of Sitsia in the district of Hu-ma and robbed Sui-shu-li of different kinds of foodstuffs.

12). On July 11, 1933, several Soviet officers raided An-lo-tsia-lon and set all the houses on fire.

13). In the night of 14 July, 1933, soldiers of the Soviet G.P.U. stationed at the village of Orlova killed in the vicinity of Bar-ka-li-tsia, Mo-ho district, four peasants and burned the house in which a post of border guards had been locatad.

14). On July 15, 1933, several soldiers of the Soviet G.P.U. attacked a post of border guards some distance north-west of O-pu and burned the barracks.

15). On July 28, 1933, four Soviet subjects raided the village of Du-li-ka in the district of Hu-ma, killed several men and robbed several others of their belongings.

16). At 5 o'clock p.m., on July 28, 1933, several tens of men headed by the same Korableff as mentioned above came from Korsakovka to the village of Si-tsia, Hu-ma district, killed four Manchus and carried away 4,000 poods of flour.

17). On August 2, 1933, a number of Soviet officials raided the village of Key-lia-tsia, Hu-ma district, and killed 4 in habitants of the village.

Some time ago another note of protest enumerating similar incidents in Kirin province and stating that one hundred different atrocities had been committed by different Soviet subjects on the territory of Manchukuo was handed by Shi-Lui-pen to the Soviet consul at Harbin.

Shanghai Journal Commends Admiral Hsieh

The Shanghai *Shun Pao* commenting editorially on the report that Admiral Hsieh Kang-che, the new Commander of the 3rd Naval Fleet, has ordered his ships to move to Weihaiwei and the marines to billet outside Tsingtao City "in order to avoid all naval interference in politics and to prevent his men from forming habits of luxury and extravagance," highly commends this decision of Admiral Hsieh, and hopes that the example thus set will be followed by all other naval commanders.

Further Trend Toward Inflation of U. S. Dollar

The possibility of currency inflation within three months through a reduction of the gold content of the dollar was hinted at by Mr. Wallace, Secretary of Agriculture, in a recent statement. Mr. Wallace said the U. S. public is likely to become impatient in the next three months and demand a strong dose of inflation, unless the disparity of the farmers' income and the price he pays for his purchases can be overcome by the increase *in costs under the National Recovery Act going into* increased purchasing power through pay rolls, and not into increased profits. Senator Pittman predicts silver will eventually go to over a dollar an ounce.

Henry Ford Pays More than Code Wages

The dispute between Henry Ford and the National Recovery Administration has been settled. The N. R. A. admits that although Mr. Ford has technically failed to join the movement he is paying a scale of wages as high or higher than that provided in the code. Mr. Ford has declined to shorten the work week or reduce the pay of his long-term employees as he says this would be an injustice.

American exports for the first six months of this year are better than last year in sixteen countries. Six of these countries, according to a statement issued by the National Foreign Trade Council, are in Latin America—Argentina, Brazil, Chile, Venezuela, Colombia and Mexico.

The Dunn and Bradstreet financial report Sept. 8 predicted that the country would soon experience a marked increase in buying, thus giving industry a fresh impetus.

Babson Predicts Fascist Regime

Roger Babson, business analyst and economist, at a speech before a session of the National Business Conference, in Massachusetts, Sept. 8, said the middle classes of the U. S. A. are losing patience with the current conflict between labor and capital over the redistribution of wealth, and there is a possibility that the so-called "white collar" men will take matters into their own hands unless a halt it called in the petty squabbling between leaders of labor and industry over minor details of the national recovery program. The middle classes will force a Fascist dictatorship in the United States, unless labor and capital swiftly compose their difference in the general public interest, Mr. Babson said.

America Builds Naval Craft in Earnest

The $11,000,000 cruiser *Minneapolis*, the thirteenth of 18 ten thousand ton cruisers allowed under the London Treaty, was launched at Philadelphia Sept. 6. The U. S. Navy Department awarded construction contracts on a single day last month for 21 war craft. The contracts were parceled out among seven of the country's principal private shipbuilders. The face value of these Navy contracts totaled $129,777,600. When the contracts are completed, the U.S. Navy will be brought close to the limit set by the London Naval Treaty. Of the 21 ships contracted for, 16 are being constructed out of the $238,000,000 cash allotment to the Navy from the Public Works Fund, five out of regular annual appropriations.

America Will Keep Fleet in Pacific

Admiral William H. Standley, chief of U. S. naval operations and acting Secretary of the Navy at Washington Aug. 30, reiterated that the navy would keep the scouting force, formerly known as the Atlantic fleet. in the Pacific and that it has no intention of changing this policy. Commenting on the transfer of the scouting force from the Pacific, which is being urged by numerous pacifist organizations, the Admiral said: "These demands have come over such a long period and so frequently that they have become old stuff." Captain Sekine, a spokesman of the Japanese Navy Office, stated in Tokyo, Sept. 2, that the Japanese navy was not concerned over the American navy's decision to keep the Atlantic fleet in the Pacific.

Plans of U. S. Secretary of War Dern, to mechanise the United States Army and build up the army's air force by using public construction funds were halted by order of President Roosevelt Aug. 3. No orders for aircraft or for other mechanical supplies will be placed for the present and the whole plan will await the action of the Disarmament Conference at Geneva.

In the United States Court for China

SANFORD N. YOUNG, Plaintiff.	Cause No. 3566
vs.	S. P. No. 1618
CLARA J. YOUNG, Defendant.	ORDER
	Filed at Shanghai, China Sept. 11th, 1933
	William T. Collins, Clerk
	L. T. Kenake, Asst. Clerk.

The object of this suit is an action for Divorce

WHEREAS, plaintiff herein, by his attorneys, has this 11th day of September, 1933, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 11th day of September, 1933, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 11th day of September, 1933, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has she resided therein at any time, and that defendant's last known address was 34 Jackson Street, Clinton, South Carolina, U. S. A.

NOW, THEREFORE, it is this 11th day of September, 1933, ORDERED that service upon the defendant be made by publication once a week for *three consecutive weeks in the* "CHINA WEEKLY REVIEW" a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, *occurring after the 30th day of* September, 1933, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 11th day of September, 1933.

MILTON D. PURDY,
Judge.

EVERY 25 SECONDS

The Circulation of the Blood is Complete.

Each corpuscle of blood completes its journey through the entire system in twenty-five seconds. That seems hardly credible but it is true. And therefore, it is easy to understand how quickly the body will suffer if the blood is thin and impure. If the muscles, nerves, digestive and other organs are not receiving the nourishment which the constant circulation of rich blood provides, then ill-health in one form or another will soon make its appearance.

When you find yourself tiring easily, your appetite failing, headaches becoming frequent, these are the first warnings that all is not well with your blood-stream. If something is not done soon the nervous system rapidly weakens or one or another of the ailments which follow anaemia (impoverished blood) appears.

Insufficient and poor quality blood gives rise to neurasthenia, insomnia, digestive troubles, debility, malnutrition, premature age, chronic headaches, pains in back, limbs and loins, rheumatism, sciatica, lumbago, women's ailments and periodical pains. The specific remedy, proved by medical tests, is Dr. Williams' Pink Pills, which rapidly increase and enrich the blood. Dr. Williams' Pink Pills have been the accepted remedy for anaemic conditions for half a century. Their reputation to-day stands higher then ever. Start on a course of this genuinely efficacious blood and nerve tonic at once. All chemists can supply you.

66-129

Five New Fighting Planes Christened in Shanghai

The christening of five Curtis-Hawk fighting planes with funds contributed locally took place at the Hungjao airdrome, near Shanghai, September 9. At the christening ceremony, the planes were formally named *Shanghai Merchants*, *Shanghai Laborers*, *Shanghai Boy Scouts*, *Shanghai Students* and *Shanghai Ningponese*. They were so christened to indicate the source of the funds to pay for them. The christening of the planes followed a series of lectures by representatives from the various organizations which contributed the money. The speeches stressed the importance of aerial defense and urged continued efforts to develop aviation in China. In the absence of Mayor Wu Te-chen who is in Kiangse, O. K. Yui, secretary-general of the Greater Shanghai Municipality, presided. Addreses were made at the christening ceremony by O. K. Yui, General Yang Fu, commander of the Peace Preservation Corps, who represented the Central Kuomintang at the occasion, General Hsu Pei-keng, director of the National Aviation Administration, Wang Shiao-lai, chairman of the Chinese Chamber of Commerce, and Captain Sun Tung-kang, noted Chinese flier. Following the speeches, documents representing the five planes were presented to General Hsu Pei-kang, who received them on behalf of the Ministry of War of the national government.

The five planes were christened with champagne by Miss Yui Deedi, granddaughter of Yu Ya-ching, Miss Emily Yui, daughter of O. K. Yui, Miss Chen Yu-shih, Miss Woo Zai-lung and Miss Cheng Hung-nien, daughter of Cheng Hung-nien, president of the Chinan University. The *Shanghai No. 1* plane, christened at Kiangwan in June, took part in the ceremony. The six planes were in charge of six instructors from the Chinese Aviation Academy at Hangchow; they took off in groups of three amidst the cheers of the huge crowds which had assembled. The fliers were all Chinese; they were Captains Liu Chao, Woo Chia-mei, Chen Chi-ya, Kao Tse-heng, Wang Tien-hsiang and Chen Chia-shang.

Captain Sun Tung-kang followed the six planes in his Klemni monoplane. He executed a series of aerial stunts, including power dives and vertical ascents. Meanwhile the six planes deployed over the Shanghai area, executing various difficult maneuvers without incident.

After the formation flight, Captain Kao Tse-heng staged a solo demonstration in the *Shanghai No. 1*, practically duplicating the stunts carried out by Major James Doolittle, American ace, with the same plane, several months ago.

Recent Tokyo telegrams stated that the news that the Chinese National Government had decided at the recent Kuling Conference to establish a big air force with the assistance of the United Stated had created a sensation in many circles in the Japanese Empire. A War Office spokesman stated that Japan should watch the Chinese situation carefully, following this report. Under the present circumstances a Chinese air force is not to be feared, it was said. However, in case aviation instructors should come from the United States, it would be another story, he added.

Canton to Hold Air Gala September 20

A gala aerial maneuver is scheduled to be held in Canton on September 20. Lieutenant-General Huang Kwang-jui, the commanding officer of the Canton Air Force, will direct the flight. General Chen Chi-tang, Commander-in-chief of the first group army; General Hsiang Han-ping, commanding the second army; Lieutenant-General Miao Pei-nan, chief of staff; Rear-Admiral Chiang Si-yuan, commandant of the Whampoa squadron; and Rear-Admiral Chang Chi-ying, senior naval officer of the Canton River patrol, will be among the official guests. There will be formation flights, solo flights, looping the loop, falling leaves, aerial duels and bombings.

Captain Chen Wen-lin, Director of the Naval Aircraft Factory at Amoy in Shanghai, hopped off from Shanghai Sept. 11 on a solo cross-country flight in the naval plane *Kiang Chueh* manufactured by his factory in Amoy. He will not accompany Sun Tung-kang as at first reported. Captain Chen was the first Chinese aviator to fly to China from Berlin several years ago. Mr. Sun is the second man who did the same trip.

Rivalry in the Philippines

Intense rivalry for the commercial air routes of the Philippines is foreshadowed by a recent announcement of the Philippine Air Express that it would inaugurate immediately a weekly round trip service between Manila, Iloilo, Cebu and Zamboanga. The service has been operated between Manila and Iloilo, but recently a bill was introduced in the Philippine legislature granting the Pan-American Airways franchises for 50 years for services to be established between cities that are now served.

H. M. Bixby, vice-president of Pacific-American Airways, who recently returned from an aerial tour of the Philippines, predicts that within a year or slightly more, commercial airways in the Far East will compare favorably with those found in the more advanced centres. The Shanghai-Hongkong-Canton schedule only awaits the adjustment of minor details before planes will leave Lunghwa twice weekly for the southern cities. The Pan-American company plans to use *Clipper* flying boats on the Hongkong-Manila hop, capable of carring 15 passengers.

The Canton military authorities are contemplating the construction of an air field on the Paracel Islands for the purpose of strengthening Canton's coast defences.

Quick Trip From Berlin to Shanghai

Making the trip in 45 hours flying time, a W-34 Junkers plane of the Eurasia Aviation Corporation, piloted by Captain Gerstenkorn, landed at Hungjao Airdrome Sept. 8 from Berlin. The plane left Berlin Sept. 4 and arrived here 100 hours later, with but 45 hours in the air. The flight was made to demonstrate the feasibility of a regular five-day service between Berlin and Shanghai.

Six U.S. Army seaplanes which left Hampton Roads Sept. 7 for Cocosolo, in the Canal Zone, broke the world record for a non-stop formation flight.

Mlle. Maryse Hilze, famous French aviatrix, is testing an airplane at Paris with a view to making another flight to Japan via Siberia in an attempt to beat the record of Vicomte de Sibour.

Yellow River Subsides---U. S. Red Cross Donates $50,000 for Flood Relief

It is officially announced at Nanking that the American National Red Cross, through the American Legation, has donated the sum of fifty thousand dollars (silver) to the Shantung Provincial Relief Committee for the sufferers from the present floods in Shantang. A check for said sum was handed to General Han Fu-chu, Chairman of the Relief Committee Sept. 9 by the American Consul at Tsinanfu.

In a message to the Yellow River Conservancy Board, General Fu Tso-i, Chairman of the Suiyuan Provincial Government, reported that a grave situation had arisen in Suiyuan as a result of the flooding of the Yellow River. He urged that funds be remitted to Suiyuan immediately for the succor of the flood refugees. The Board has given instructions that the Provincial troops be ordered to assist in flood prevention work in cooperation with the people, mentioning incidentally that the Yellow River Flood Relief Commission has been enjoined to remit relief funds to Suiyuan immediately. According to a rough estimate made by the Relief Commission, altogether fifty districts in Shensi, Shansi, Honan, Hopei and Shantung were affected by the recent flood of the Yellow River. The total number of flood refugees is estimated at more than 4,000,000.

General Han Fu-chu, Chairman of the Shantung Provincial Government, reports that as a result of the recent Yellow River flood the total losses in Western Shantung amounted to $109,000,000 and the area covered extends to 9,500 square miles in Shantung alone. General Han in a telegram to T. V. Soong, Minister of Finance, urges that $500,000 be raised at once for relief work in the flooded area.

In a telegram to the Ministry of Finance President Wang Ching-wei and General Chiang Kai-shek instructed that appropriations be remitted as soon as possible to the various provinces affected by the Yellow River floods for repair work on the dykes. It is understood that out of the $4 millions designated for flood relief on the Yellow River, President Wang Ching-wei has agreed to remit $400,000 to Shantung province; $300,000 each will be remitted to Hopei and Honan for the same purpose. The remaining $3 millions are to be placed at the disposal of the Yellow River Flood Relief Commission.

In a report to the Yellow River Conservancy Board, Li I-chih, Chairman of the Board, while on an in-

spection trip to Kaifeng, provincial capital of Honan, stated that in order to make possible the autumn sowing so as to prevent a famine next year, the Engineering Bureau at Kaifeng is actively engaged in repairing the damaged portions of the Yellow River dykes in cooperation with the local authorities.

According to a report received by the China National Relief Association in Shanghai, about one thousand people were drowned at Woosung and Chuansha during the recent typhoon which swept over Shanghai.

The first plenary meeting of the Yellow River Conservancy Board is scheduled to be held at Kaifeng, provincial capital of Honan Sept 26. To remove the flood menace on the Yellow River, the Board is soliciting suggestions from the public concerning the conservancy work. A batch of engineers and experts is also being recruited

The Chinese authorities at Tsinan anticipate that the flood waters in West Shantung, which have been gradually receding, will not completely disappear before two months.

Huang Chin-yung, a well-known Chinese figure in the French Concession, Shanghai and his followers gave a charity show during the week beginning from September 11 at the "Great World." The proceeds are to be handed over to the Flood Relief Commission for the relief of the refugees.

No More Danger of Flood This Year

Recent reports from all points along the Yellow River confirm the fact that all danger of further floods this season are past. An authoritative statement was made by Oliver J. Todd, chief engineer with the China International Famine Relief Commission, who returned to Peiping during the week, that the Yellow River is not going to return to its old course during the present season. However, if sufficiently strong stone dikes are not built, the river may overflow again in a few years time and eventually return to follow its ancient path to an outlet far south of the present one, Mr. Todd added.

Mr. Todd came on a hurried trip to Shanghai to gather together a larger staff to carry on his work of road building, river control and irrigation in the districts of Shansi, Kansu and Suiyuan. This work is carried on through the China Famine Relief Committee in New York City and also by funds received through the China National Economic Council.

One of the tasks in which the Commission is interested is the cutting down of high hills on the road between Sian and Lanchow. Shensi Province has been greatly affected by famine during the last few years, and this makes it imperative to conserve the waters of the Fen Ho and its various tributaries during both winter and summer, Mr. Todd said.

Mahommedans in Sinkiang Oppose Recruiting of Chinese Soldiers

The Mohammedans in Tacheng, north-western Sinkiang, have addressed identic telegrams to President Lin Sen. President Wang Ching-wei and General Chiang Kai-shek urging that steps be taken to prevent the recruiting of 10,000 Chinese soldiers by certain quarters for enlistment in the Sinkiang army, as this will not only increase the burden of the people but will also prolong the civil warfare in Sinkiang province.

Peng Cha-hsien, Special Commissioner to Sinkiang, arrived at Tihua, provincial capital, by plane Sept. 10. He has had conferences with Liu Wen-lung, Chairman of the Sinkiang Provincial Government, Defence Commissioner for the Sinkiang border, and Dr. Lo Wen-kan, Minister of Justice, who is on an inspection tour in Sinkiang.

Dr. Sven Hedin has organized a small Sino-Foreign expedition which will survey the desert highway from the sea to Sinkiang, the road along which two thousand years ago caravans of camels carried Chinese silk destined for Europe. Dr. Hedin is taking three Swedes, two Chinese road experts, two Mongols and a few Chinese servants. This modern caravan will contain no camels but a 1933 motor car luxuriously upholstered and three modern motor trucks. He hopes to leave Kueihuacheng, west of Kalgan, by the middle of October and will make straight for Hami in Sinkiang, crossing the Edsingol. His object is to find the best and easiest passage, avoiding the sand dunes and mapping the way he and the experts with him think the road should run.

THE TANGKU ARMISTICE

DOES NOT SETTLE THE SINO-JAPANESE SITUATION

BUY

The Second Edition of a Book which Reveals Phase of Japan's Attack on China and Discusses the Action Taken by the League and the Powers.

TWO YEARS OF THE
JAPAN-CHINA
UNDECLARED WAR

BY

EDWARD BING-SHUEY LEE

Send your order to *The China Weekly Review*

FOREWORDS BY

MR. SUN FO — DR. WELLINGTON KOO
MR. HU HAN-MIN — DR. C. C. WU
DR. LO WEN-KAN — DR. C. T. WANG

INTRODUCTION TO SECOND EDITION BY
MR. EUGENE CHEN

613 pages, including over 200 pages of document;

93 illustrations, 8 maps

Size, 9¼ in. x 6¼ in.

$10. Mex. cloth bound edition
$5. Mex. paper-bound edition

CHINA WEEKLY REVIEW
38 Avenue Edward VII.

66-131

What Currency Is Manchuria to Have?

The Finance Ministry of the government of Manchukuo and the Special Service department of the Kwantung army in Changchun, are reported to hold widely divergent views on the question of Manchukuo's currency. The Ministry of Finance of Manchukuo is understood to be supporting the adoption of the gold yen standard by Manchukuo, and to be opposing the privilege of issuing silver and gold notes as allowed the Yokohama Specie Bank and the Bank of Chosen, in an effort to stabilize and unify the State's currency system. The Ministry is in favor of withdrawing from circulation all existing notes.

A recent Changchun message stated that private notes isssued by the provincial and hsien offices and the hsien credit maintenence associations, which are impeding the work of unifying the currencies, are now the subject of careful investigations by the Department of Finance. It is estimated that there are about 8,000,000 yuan of such notes in Manchuria. Unless these notes are withdrawn from circulation, the Finance Ministry authorities declare that it will be impossible to effect a complete adjustment of the currency situation.

The first anniversary of the signing of the Japan-Manchukuo protocol was scheduled to be commemorated under the auspices of the Manchukuo Legation in Tokyo on September 15. High Government officiais including the Premier, Viscount Saito, have been invited to a luncheon party to be given in the Legation to celebrate the occasion.

As a result of the joint businessmen's conference of Japanese and Manchukuo commercial and industrial representatives held in Dairen last month, a Japan-Manchukuo Businessmen's Association is to be formed. The proposed association will be composed of about 120 Japanese delegates of commercial bodies throughout the country, including Korea and Karafuto (Southern Saghalien), and 100 Manchukuo delegates representing various commercial and industrial organizations in Manchukuo.

French Financier Praises Japan-Manchukuo Cooperation

M. Andre Dollivier, head of the mission sent by L'Association Nationale d'Expansion Economique in Paris, who has been inspecting the possibilities of investment in Manchukuo, issued a statement to the press in Changchun, Sept. 9, expressing his pleasure at noting the "hearty co-operation between Manchukuo and Japan," which, he hoped, would "make a substantial contribution to the maintenance of peace in the Far East."

Manchuria Has Thirty-One Million Population

The population of Manchukuo totals 30,929,000, according to the Department of Foreign Affairs at Changchun:—Manchukuo Proper, 29,606,000; Kwantung Leased Territory and the South Manchuria Railway Zone combined, 1,323,000. The number of Manchurians is placed at 28,902,000; Japanese (including Koreans) 566,000; other foreigners, 137,000. Manchurians constitute 97.6 per cent of the total population.

According to a census taken by the Japanese consular police in Harbin, the Japanese population of said city has been increasing rapidly of late.

S.M.R. Official to Investigate Economic Conditions

Mr. Sogo, a director of the South Manchuria Railway Company, is scheduled to leave shortly on a tour of inspection of economic conditions in China. He has expressed the opinion that unless Japan, China and Manchukuo cooperate economically and financially to a certain degree, no healthy economic development nor security of peace can be achieved in the Far East. The time has now come, according to Mr. Sogo, that the initial attempt at achieving this aim should be started by Japan.

The Tokyo War Office announced Sept. 7, that Imperial sanction had been received for the withdrawal to Japan of the 6th Division, which was sent to Manchuria in January to relieve the 2nd Division, shortly prior to the operations in Jehol. This withdrawal leaves only three and-a-half divisions in Manchuria. It is understood, however, that the military authorities propose to organize additional independent railway-guard battalions in Manchuria.

The Importance of the Ki-Huei Railway Line

The *China Times* comments:—"It will be recalled that the construction of the Ki-Huei line was stipulated in the Sino-Japanese Treaty in 1909, which however provided that the line should be constructed at such time as was deemed fit by the Chinese Government. In the Nishihara Loan Agreement the construction of the line was again provided for, which shows how much importance Japan attached to its construction. "The Kirin-Tunghua section of the line was constructed by the Chinese authorities. Although Japan demanded on many occasions the extension of the line to Hueining, in Korea, the request was rejected by the Chinese authorities because of popular opposition. After Japan got control over Manchuria she immediately started on the construction of the said line. The Tanaka Memorial laid great stress on this line. Although Tanaka has died, his Continental policy is being followed. Japan is now celebrating the completion of the new railway because it will lead to the materialization of the second step of Japan's continental policy. The most important effect of the new line is to shorten the distance between Japan and Manchuria. Formerly it took eight days to reach Changchun from Osaka, but by the new railway one can reach Changchun in three days."

All gold and coal mine districts along the Great Wall have been occupied by the Japanese and Manchukuo forces, according to latest reports from the North.

Japanese mining experts are now conducting investigations at Tsunghua, Miyun and Hsinlung to ascertain the amount of gold in those districts. Although nominally Tsunghua has been handed over to Chinese control yet eighty villages north of the city are plated by the *Ta Kung Pao* to be still held by the Japanese and it is in these villages that the gold and coal mines are found.

***

Japanese Captain Secures Release of Britons

Following many months of efforts by Captain Obata, head of the Japanese gendarmerie at Newchwang, the three British officers of the Butterfield and Swire steamer *Nanchang*, who were abducted by Chinese pirates on March 29, Messrs. A. D. Blue, Clifford Johnson and W. E. Hargrave, were released Sept. 7. The British government sent a note to Japan expressing appreciation of the Japant ese efforts. The three men arrived at Panshan the same day. A *Reuter* message from Newchwang described their condition as follows:—Weary, ragged and worn by the anxiety they had undergone during their long captivity, and almost unrecognizable with their shaggy hair and untrimmed beards, the three British officers arrived in Newchwang in an armored train from Panshan Sept. 6. The first intimation of their release, which was speedily flashed to the four corners of the earth, came in a telephone message from Captain Obata Sept. 5. Captain Obata had left Newchwang five days previously to effect the release of the captives and, although their liberation was secured through the combined efforts of both the Japanese and Manchukuo authorities, he himself had full charge of the final arrangements. Hsieh Chieh-shih, the Manchukuo Foreign Minister, issued a statement at Changchun, Sept. 8 praising the rescuers of the three British officers kidnapped from the s.s. *Nanchang*. "The carelessness of the victims constituted an important cause of the incident," the statement said. Disclaiming Manchukuo reponsibility, Mr. Hsieh declared that foreigners in Manchuria should exercise greater caution in future.

One of the sidelights on the incident is a report that the three men are selling an exclusive story of their experiences to one of the leading popular newspapers in London.

French Occupation of Coral Islands Still Excites Japanese and Chinese

The *Tokyo Nichi Nichi* and *Osaka Mainichi* sent correspondents in a small motor boat to the coral islands recently occupied by France. The correspondents reported on their return to Formosa that nowhere in all the small islands were there found any Frenchmen and that the only mark left by the French was a sign marking the French occupation several months ago. There are several Chinese fishermen residing here and there on the islands, but the phosphate mines formerly operated by the Rasa Phosphate Mining Company were found to have been destroyed. However the offices, warehouses and some residences seem to have been kept almost intact.

The First Group Army at Canton is reported to be contemplating sending the Whampoa squadron to the Coral Islands to investigate whether they really belong to China.

Who's Who in China

Ang Jan-goan, overseas Chinese educator and welfare worker; native of Nan-An district, Fukien; born in Java, Dutch East Indies; receved his early education in China and attended the Chinan Institute (now Chinan University), 1909-11; returned to Java in 1912 shortly after the First Revolution and has since been engaged in educational work among the overseas Chinese community in D. E.; appointed an editor of the *Sin Pao* at Batavia, 1920 and made managing-director of the paper since 1922 which position he now retains (Sin Pao is a daily news-paper in Batavia which prints two editions in the Chinese and Malay languages respectively); concurrently he holds also the positions as dean of the Chung Hua School established by the Chinese Guild in Batavia, vice-principal of the Chung Hua School for Girls, vice-president of Chinese Red Cross Society in Batavia, director of the Chinese Chamber of Commerce, of the Fukien Guild and various other overseas Chinese organizations; address: *Sin Pao*, Asemka 30, Bavatia (Java) and residential address: No. 37, Gang Chanlan, Batavia.

Ang Jan Goan (Hung Yuen-yuan)
洪 淵 源

洪淵源，現年三十九歲，原籍福建南安，生於荷屬東印度爪哇島萬隆埠，幼受中國教育，民國紀元前三年，返國就學於暨南學校，至民國元年，復回爪哇，服務於華僑教育界，民國九年，受聘於爪哇巴達維亞新報館，任編輯職，自民國十一年起被舉爲新報總理，今仍任斯職，新報每日刊行華文及馬來文兩種報紙，洪君對於華僑教育團體，及慈善機關，多盡力贊助，現任巴達維亞中華會館附設中華學校之學務委員長，中華女學校副總理，養生院董事，華僑捐助中國紅十字會委員會，副主席，以及中華總商會，福建會館等，各華僑社團之董事，或會員，爲主張祖國生長之僑胞，及南洋生長之僑胞，須精誠團結以愛護祖國之最力者，爲人勤謹和平，頗爲僑胞各方面所推崇，最近住址，爪哇巴達維亞埠，徑談冷門牌三十七號。

Netherlands Will Return Boxer Funds to China

According to Mr. Soong, the Chinese Consul-General in Batavia, a large number of Chinese students who have completed their studies in Netherlands schools in Java and Sumatra will benefit by the return of the Indemnity funds to the Chinese Government by the Netherlands.

The Chinese Government has received a promise from the Netherlands that all the Boxer Indemnity funds accruing since 1926 will be returned to China. Sixty-five per cent of the returned funds will be devoted to rehabilitation work in the Yangtsze and Yellow River, and 35 per cent will be spent for the benefit of Chinese students in the Netherlands.

LATEST INFORMATION

If you are interested in China you must be interested in the latest developments in the following fields:

		In China (Chinese Currency)	Abroad (U.S. Currency)
1.	China's Diplomatic Relations (1931-1932: A Survey) ..... By Minchen T. Z. Tyau	.90	$ -.50 cts.
2.	China's Industrial Development: Its Problems and Prospect ..... By C. L. Nieh.....	.90	„ -.50
3.	Chinese Government Economic Planning and Reconstruction since 1927 ..... By Gideon Chen.....	.90	„ -.50
4.	The Distribution of Population and Land Utilization in China... By W. H. Wong	.90	„ -.50
5.	The Position of China as a Producer of Raw Materials and a Consumer of Manufactured Products ..... By Djang Siao-mei ...	.90	„ -.50
6.	The Present Agrarian Problem in China .... By Chen Han-seng ..	.90	„ -.50
7.	Rural Industries in China ..... By H. D. Fong	.90	„ -.50
8.	Facing Labor Issues in China ..... By C. H. Lowe	$2.70	„ 1.25
9.	Shanghai Industrialization; Report based on investigations of China Institute of Economic and Statistical Research, National Government Directorate General of Budgets, Ministry of Industries, National Tariff Commission, Shanghai Bureau of Social Affairs and Chaotung University, by D. K. Lieu	$1.15	„ -.60
10.	Silk Reeling Industry in Shanghai: Based on extensive survey by the China Institute of Economic and Statistical Research, made from May to July, 1931, supplemented by second survey during the same months of 1932, covers quality of silk produced, productive capacity of filiatures, number of reels, etc., by D. K. Lieu	$2.15	„ -.95

These pamphlets ranging from 12 to 200 pages were written by Chinese specialists in their respective lines. They were prepared for presentation at the Conference of the Institute of Pacific Relations at Banff, Canada. Those desiring copies, should send their orders with draft or postal money-order attached to the undersigned.

THE CHINA WEEKLY REVIEW
38 Avenue Edward VII
Shanghai.

Men and Events

George Bronson Rea, unofficial envoy of Manchukuo to Washingtan, arrived at San Francisco Sept. 7.

Ku Kung-cheng, Chinese Minister at Moscow, has been appointed Chinese Delegate to the 2nd International Press Confernnce (to be held at Madrid in October).

It is officially announced that there was not a single case of cholera in the port of Shanghai during the past summer.

Mr. Nishida, Japanese Consul-General at Tsinan, is due to leave there towards the end of the month on home leave.

A group of merchants from Osaka, Kobe and Nagoya started from Kobe Sept 7. on a tour of the West Coast of Africa, with samples of Japanese manufacture, including cotton singlets, soaps and toys.

General Ma Chan-shan arrived in Tientsin, September 10 on his way to Peiping to see General Ho Ying-ching on the question of reorganizing his troops, now distributed in Chahar and Hopei.

Liu Chung-chieh, until recently Vice-Minister for Foreign Affairs, and Liu Wen-tao, at present Chinese Minister to Germany, will be appointed Chinese Ministers to Germany and Italy respectively.

As a result of arrangements between Chinese industrial leaders and the Ministry of Industry, a National Production Conference will be convened in Nanking on October 1.

A movement is on foot for the early completion of the Lung-Hai Railway extension in order to alleviate the plight of the rural districts in Shensi, Kansu, Chinghai (Kokonor), and Ninghsia.

Yosuke Matsuoka, who represented Japan at the recent General Assembly of the League of Nations, is being mentioned as a successor to Katsuji Debuchi as Japanese Ambassador at Washington.

Miss F. C. Woo, of Hongkong and for many years Principal of the St. Paul's Girls' School, has been honored by the University of Southern California, with the honorary degree of Doctor of Pedagogy.

The 38th anniversary of the late Dr. Sun Yat-sen's first Revolutionary uprising at Canton was commemorated Sept. 9 at a special memorial service held at Central Party Headquarters in Nanking.

The news of the appointment of the Hon. A. M. G. Cadogan as the new British Minister to China is very well received in political circles in Nanking, and the hope is entertained that he will prove a worthy successor to Sir Miles Lampson.

Two new Chinese gunboats, *Hsien Ning* and *Hai Ning*, will be launched on October 10. They are sisterships to the four previously built by the Kiangnan Dockyard for the Ministry of the Navy. They will be used for river patrol services.

The *Sin Wen Pao* says Dr. W. W. Yen, Chinese Ambassador to Soviet Russia, is not returning as he at first planned. It is said that, owing to pressure of work, Dr. Yen may not even meet Dr. Lo Wen-kan in Sinkiang as he originally planned.

Baron Ruedt von Collenberg, German Consul-General at Shanghai, has been appointed German Minister to Mexico, succeeding Herr Zechlin. Dr. Herbet von Dirksen, German Ambassador at Moscow, has been appointed Ambassador to Japan.

The Council of the League of Nations is scheduled to meet for its annual session in Geneva on Sept. 20. The Chinese Government will be represented, as heretofore, by Ambassador W. W. Yen, and Ministers Wellington Koo and Quo Tai-chi.

Miss Eugenia Mae Barnett will teach in McTyiere School during the coming year. Miss Barnett is a graduate of the Shanghai American School. She recently received her Bachelor's degree from Randolph-Macon Woman's College, Lynchburgh, Va.

An exchange of letters between the American and Japanese legations in Peiping Sept. 7 relative to the use of the glacis around the Legation as a bridle path during military maneuvers, regarding the squabble between Miss Eugeline Arguello, private secretary to Nelson T. Johnson, American Minister and a Japanese soldier brought the incident to a close. The Japanese version of the incident, referred to editorially in last week's issue of *The Review*, was that Miss Arguello had struck one of the Japanese soldiers with her riding whip.

The M. B. K. freighter s.s. *Adzumasan Maru* has achieved a record fast trip across the Pacific, having left Yokohama on August 28 and arriving at Los Angeles September 8.

A joint review of the Peace Preservation Corps, the police and the Volunteers in Shanghai will be held on October 10 by Mayor Wu Teh-chen in celebration of the Double Tenth Festival.

Chen Kung-po, Minister of Industry, arrived in Shanghai last week. He stated that China would send a representative to attend the international raw silk conference to be held in Paris next month.

The workers of the Kiangnan Rubber Factory in Chapei went on strike last week in protest against the reduction of women workers' wages by the factory management. The dispute has now been referred to the Municipal Government of Greater Shanghai and the local Kuomintang office for mediation.

The first batch of teachers specially trained in the use of the romanised Chinese alphabet graduated from a school established for this purpose in Irkutsk Sept. 9. The Russians are thus "denaturing" the Chinese language in their trrritory in the same way that the French have donein Indo-China.

An up-to-date electric light plant is being erected on the Yangtsze, a few miles from Tungchow City, Kiangsu province. The plant is built near the industrial part of the Tungchow district and will be large enough to supply all the neighborhood for several miles in each direction with electricity.

Under the auspices of the Japanese Naval Landing Party, a funeral service for 31 members of the party, who died of dysentery recently in Shanghai, was held in the courtyard of the newly-built barracks near Hongkew park Sept. 11. The service was in accordance with Buddhist rites.

Harold Whittle was sentenced by Judge Purdy in the U.S. Court far China Sept. 11 to 60 days imprisonment in the Amoy road jail for having unlawfully obtained possession of 2 pistols and 45 rounds of ammunition from the U.S.S. *Monocacy*. Dr. Sellet, prosecuting, said Whittle had received the pistols from one Rhodes, now awaiting court martial.

The death occurred in England of Viscount Grey of Fallodon. As Sir Edward Grey he guided Britain's war policy in 1914. Chancellor Hitler's organ *Der Angrief*, says "the man with the birdlike head and the deepset eyes has always remained a deadly phenomenon, without whose machinations the fateful days of 1914 might have turned out differently."

Dr. Jacob Gould Schurman, former U. S. Minister to China, who arrived in Shanghai several weeks ago, is stopping with his daughter Mrs. James McHugh, whose husband is a First Lieutenant of the Fourth Marines in Shanghai. During the coming winter Dr. Schurman intends to leave for India. Later he will proceed to Paris to meet another daughter, Mme. Vladimir Petro-Pavlovsky.

Dr. Andrija Stampar, Yugo-Slav health expert, formerly engaged in flood relief work in China (after the Yangtze flood of 1931), has been appointed by the League of Nations for further work in China. Dr. Stampar will leave Europe for the Far East shortly in connection with the plan already formulated for technical co-operation between the League and China.

In compliance with the petition of the Shanghai Committee of Investigation into the scandal in connection with the custody of the National Salvation Fund, the Executive Yuan Sept. 6 appointed Tsou Lin, Vice-Minister of Finance, and General Chen I, Vice-Minister of War, as representatives of the Government to examine all accounts of the various organs concerned in the collection of national salvation funds.

Three hundred American business firms in Shanghai are sending returns for the capital stock tax to the office of the Collector of Internal Revenue at Baltimore, Maryland. Every American firm in China is affected by this tax, which is levied under the National Industrial Recovery Act. The tax amounts to U.S.$1 for each U.S.$1000 declared capital stock, and it must be paid before the first of October or the company concerned is subject to a fine of one per centum a month.

Ellery Walter, special correspondent for the New York *Herald-Tribune* was in Shanghai this week for a few days on his his way home to the United States after several months spent in the Far East. In addition to his writings for the *Herald-Tribune*, he is also correspondent for National Broadcasting and during the winter season lectures at colleges and universities. Mr. Walter was accompanied by Mrs. Walter.

66-134

Dr. Anne Walter Fearn returned to Shanghai this week from a trip to Honolulu.

Riye Watanabe, First Secretary of Legation, has been promoted to be Japanese consul-general at Vladivostock.

Georges Barthel de Weydenthal, newly appointed Polish Minister to China, is at present in Shanghai, awaiting his credentials before procceding to Nanking.

Miss Shizue Okada, Japanese cinema star, sailed from Kobe, September 8 for Paris to take one of the leading parts in the movie version of "La Bataille."

Sir Arthur Salter, British economist, stated in London, September 7 that he would sail for China next month. He expects to remain here for four or five months, at the personal invitation of the Chinese Government. It is understood he will advise on financial reforms.

Tbe Chinese Fruit Merchants Union of Shanghai reports that Soviet Russia is still prohibiting Chinese fruits from entering Soviet territory. The Union requests the Ministry to take up the matter immediately with the Soviet authorities.

The Control Yuan at Nanking, September 8, adopted a bill of impeachment, demanding the punishment of Hsieh Fu-tsu, the warden of the prison attached to the second special district court at Shanghai for the alleged torture of two prisoners.

Prince Carl of Sweden was the guest of General Ho Ying-chin, Acting Chairman of the Peiping Branch of the Military Affairs Commission, at a dinner given in his honor Sept. 6. Earlier in the same day, the Prince was entertained at luncheon by Yuan Liang, Mayor of Peiping.

The Nanking Government is continuing its investigation into the embezzlement case in connection with the funds contributed for the Chinese Volunteers in Manchuria. General Chen Yi and Chou Lin, Vice-Ministers of War and Finance respectively, came to Shanghai during the week to inquire into the case.

The Shanghai office of the Japanese Railways Ministry which was established with a view to facilitating railway communication between China and Japan, will shortly be abolished because of the changed phase of the situation between China, Manchukuo and Japan since the capture of Manchuria by the Japanese.

B. L. Rallia Ram, general secretary of the National Council of Young Men's Christian Associations of India, Burma and Ceylon, arrived in Shanghai Sept. 10. He is visiting the national headquarters of the Y.M.C.A. of China in Shanghai and several of the local Associations in East and South China before returning to India.

Shensi has prospered considerably by the excellent opium harvest this year, but rice in that province is being sold at an extremely high price. The merchants frequently barter opium for rice. Conditions at Chengchow are stated to have improved considerably and the general economic depression has become easier.

According to information from circles in close touch with Lord Marley, Chairman of the World's Anti-War Conference, more than a hundred delegates to the conference have already arrived in Shanghai, but so far the attempts to secure permission to hold the meeting either in the International Settlement, the French Concession or Chinese territory have failed.

Dr. Thomas F. Millard, adviser to the National Minstry of Foreign Affairs at Nanking is expected to return to China during the present month from Geneva. Mr. Millard went to Geneva last year with the Chinese Delegation to the League, following which he returned to America and later on went back to Europe on a special mission.

With the opening of the autumn school semester, the *China Times*, in an editorial Sept. 8, called attention to the importance of the mission of college students in overcoming the national crisis, and expressed the hope that they will not only apply themselves closely to their studies, but also pay some attention to the general situation in the country.

Mr. Shiratori, the new Japanese Minister to Sweden, is due to depart from Yokohama for his new post Sept. 15. Mr. Shiratori was Director of the Intelligence Bureau of the Foreign Office when Japan was in the midst of the Manchurian affair controversy. It is stated that among the people he will visit in the United States is former Secretary of State Stimson.

Retired judges or other Court officials will henceforth be debarred for a period of three years from date of retirement, from practising law within the jurisdiction of the Courts from which they had retired, according to a new order issued by the Ministry of Judicial Administration to the various Provincial High Courts throughout the country Sept. 10.

Dr. Ludwik Rajchmann sailed on the Italian liner *Conte Rosso* from Italy Sept. 9 to take up his duties as liaison officer of the League of Nations for technical collaboration with China.

Plans have been drawn up for the expansion of Kiangnan Dockyard, near Shanghai. The plans include the construction of a deep and large dock capable of accommodating ships above 20,000 tons.

A Nanking message states that T. V. Soong has turned down the project mapped out by the Ministry of Industry for the issuance of a twenty-million-dollar coal relief loan.

Yang Chung-jen, principal of a middle school in the West City of Peiping, and alleged assassin of Hoh Wei-chow, an official of the North-eastern National Salvation and anti-Japanese Association, has been handed over to the district court for trial.

The British Far Eastern flagship *Kent* with Sir Frederic Dreyer, the newly-appointed Commander-in-chief of the China station on board, will visit Yokohama on September 28, accompanied by the *Falmouth*. It is expected that the ship will stay in Yokohama until October 12.

A report that General Chang Fa-kwei, commander of the once famous "Ironsides" Fourth Army, is returning to China at the request of General Chen Chi-tang is denied in well informed circles in Shanghai. General Chang is at present in Italy and is not expected to return to China for several months.

The Board of Trustees for the British Boxer Indemnity Refund at a meeting in Shanghai Sept. 11 granted the request of the Hwai River Conservancy Board for remittance of its allotments for the months of March, April, May and June this year, for constructing dykes and locks at Hwaiying, Shaopai, Liangcha and Sanho.

Miss Gertrude R. Beggs, until last June Dean of Women at the University of Richmond, has arrived in Peiping to take over her new duties as principal of the North China American School in Tungchow, succeeding J. A. P. Lund who recently resigned from the acting-principalship to return to Denmark.

Dr. Roy Chapman Andrews was due to return during the early part of this month to New York from Europe where he had been paying a visit to Moscow. Dr. Andrews, who will be remembered as the leader of a scientific expeditions in Mongolia several years ago, is now director of exploration of the American Museum of Natural History.

Following a protest from the Japanese Consul General at Tientsin, the Hopei Provincial Government replied Aug. 31 that the Japanese goods seized by anti-Japanese organisations were being returned. The Japanese Consul-General in his protest warned the Chinese authorities regarding control of anti-Japanese activities.

Dr. Y. T. Tsur, former president of Tsing Hua College and Director of the China Foundation, has assumed office as acting Chancellor of Yenching University. Dr. Tsur was elected Chancellor of the university at a meeting of the board of trustees last June but he accepted only on the condition that he be allowed to carry on in an acting capacity pending the selection of a suitable man. The new acting Chancellor is a graduate of St. John's University at Shanghai.

Yu Chin-ho, the new Director of Public Safety in Peiping, arrived in the former Capital from Tsingtao, Sept. 6. A mandate by the National Government, formally relieving General Pao Yu-lin of his post, and appointing Mr. Yu to succeed him was issued at the same time. Mr. Yu is a graduate of the Tokyo War College, where he was a classmate of General Chen Hsin-yah, commander of the gendamerie in Peiping. He is a native of Chekiang but he was brought up in Shansi.

The Universities China Committee in London has appointed Miss Margery Fry, formerly Principal of Somerville College, Oxford, to spend three months in China, to study present-day conditions in the educational world, particularly among women, and to lecture at Chinese university on penal reform, the organization and aims of English education, public opinion and government in England, the women's movement, and women's life in English universities.

Raffalle Boscarelli has been appointed Italian Minister to China. This is regarded in Chinese circles as a happy choice in view of the wide experience and long diplomatic career of the new Minister. Born in 1685, Signor Boscarelli entered his country's service in 1909 and became Counseller of Legation in 1927. He was appointed Italian Minister to Cuba in 1931, and has received many decorations from his Government.

The Chronology of Manchukuo

The following chronology of events in Manchuria, commencing with September 18, 1931, is published for information and future reference.

1931

Sept. 18, 1931 10.30 p.m.—Japanese army began military operations at Mukden, claiming Chinese soldiers had been caught dynamiting track of the South Manchuria Railway, Japan's most vital possession in Manchuria.

Sept. 19—Japanese occupation of Mukden completed; Japanese occupied Changchun.

Sept. 21—First Japanese reinforcements crossed border from Korea into Manchuria; Japanese occupied Kirin. China appealed to League of Nations for aid and redress.

Oct. 3—Japanese army headquarters in Manchuria announced that Marshal Chang Hsueh-liang, former ruler of Manchuria, would not be permitted to return to that country.

Oct. 8—Japanese military aeroplanes bombarded Chinchow, seat of the Chinese provisional government of Manchuria.

Oct. 13—League Council met to consider the Manchurian crisis.

Oct. 16—Council invited America to send an observer to the Manchurian debates.

Oct. 20—Secretary of State Stimson called attention of Japan and China to their obligations under the Kellogg-Briand Treaty.

Nov. 4—Fighting began on the Nonni River between Japanese troops and the forces of General Ma Chan-shan, acting Chinese Governor of Heilungkiang province.

Nov. 18—Ma Chan-shan defeated and Japanes entered Tsitsihar, capital of Heilungkiang Province.

Nov. 27—Japanese army advanced toward Chinchow, but drive was suddenly halted next day by orders from Tokyo.

Dec. 10—League Council adopted resolution creating Commission of Inquiry.

Dec. 28—Read Japanese offensive against Chinchow launched.

1932

Jan. 2, 1932—Japanese occupied Chinchow, which Chinese evacuated without a battle..

Jan. 28—Japanese-Chinese hostilities broke out in Shanghai.

Feb. 5—Japanese expedition under Lieutenant-General Jiro Tamon occupied Harbin.

Feb. 20—Japanese army launched big offensive at Shanghai.

Feb. 29—The League's Inquiry Commission (Lytton Commission) reached Japan and began six months' labors.

Mar. 1—Independence of Manchuria, henceforth called Manchukuo, declared at Mukden, ostensibly by group of Chinese leaders.

Mar. 3—Success of Japanese offensive at Shanghai terminated major hostilities in that region.

Mar. 9—Henry Pu-yi, former "Boy Emperor" of China, installed at Changchun as "Chihcheng," or "Chief Executive," of Manchukuo.

Mar. 11—League of Nations Assembly adjourned after adopting resolution binding members not to recognize any situation brought about by means violating the Kellogg-Briand Treaty.

Apr. 21—Lytton Commission, after travelling through Japan and China, reached Mukden and began investigation on the spot of the Manchurian situation.

Apr. 30—Lytton Commission telegraphed from Mukden its preliminary report to Geneva, simply outlining existing military situation in Manchuria.

May 1—Japanese army began large-scale campaign along the Sungari River and in North Manchuria against various guerilla forces, including command of General Ma Chan-shan, again opposing the Japan-Manchukuo regime after three months of seeming allegiance thereto.

May 5—Armistice signed between Japan and China in Shanghai hostilities.

July 4—Lytton Commission made second visit to Tokyo, which lasted 12 days and showed clearly wide difference between points of view of the Commission and the Japanese Government.

July 15—Lytton Commission left Tokyo, returning to Peiping to write its report.

July 27—Japanese sent out erroneous report that General Ma Chan-shan was killed in battle north of Harbin.

Aug. 8—General Nobuyoshi Muto, in ceremony before Emperor of Japan, installed as new Commander-in-Chief of Japanese forces in Manchuria, Envoy Extraordinary in that territory and Governor of Japan's Leased Territory of Kwantung.

Aug. 20—General Muto left Tokyo for Manchuria, bearing with him draft of Protocol whereby Japan proposed to accord recognition in Manchukuo.

Sept. 4—Lytton Commission, at Peiping, concluded and signed its voluminous report and its members started for home.

Sept. 15—Japan-Manchukuo Protocol concluded ceremoniously at Changchun, Japan recognized independence of Manchukuo and assuming responsibility for internal and external defence of that State.

Sept. 20—Dr. Heinrich Schnee of Germany, first of the Lytton Commissioners to return home, reached Berlin and reported to the German Government.

Sept. 22—Text of the Lytton Report reached Geneva and preparations begun for its publication and distribution.

Sept. 30—The Earl of Lytton, Chairman; and Major General Frank R. McCoy, American member of the League's Commission, returned to Geneva.

Oct. 2—The report of the Lytton Commission published.

Nov. 21—Council of League of Nations met to discuss Lytton Report, presided over by Eamonn de Valera of Irish Free State, Y. Matsuoka represented Japan, while Dr. Wellington Koo spoke on behalf of China.

Nov. 28—League Council voted to refer the Manchuria issue to a special meeting of the League Assembly.

Dec. 1—Japanese Forces launched a general offensive on General Su Ping-wen in North Manchuria.

Dec. 5—General Su Ping-wen defeated and took refugee in Soviet territory.

Dec. 6—League Assembly convened to deliberate on the issue referred to it by the Council.

Dec. 9—The Assembly Adjourned and shifted the issue to a special committee to be formed by the so-called Committee of 19 with recommendation of American and Soviet participation.

1933

Jan. 1. 1933—Japanese opened drive on Shanhaikwan.

Jan. 3—Shanhaikwan occupied by the Japanees after the city partially reduced to ruins by three days' intense fighting.

Jan. 10—Japanese occupied Chiumenkou Pass in Great Wall, important gateway to Jehol province.

Jan. 11—Manchukuo State Opium Monopoly, regulations of which were promulgated on November 30, 1932, officially came into operation with head office at Changchun.

Feb. 6—League of Nations Committee of Nineteen voted not to recognize "Manchukuo" as an independent state.

Feb. 17—T. V. Soong and Chang Hsueh-liang visited Jehol to encourage Chinese troops to resist Japanese invasion.

Feb. 21—Japan officially launched drive on Jehol by three routes.

Mar. 1—Japanese Government-owned and operated South Manchuria Railway signed contract with Manchukuo officials whereby Manchukuo hands over to Japanese complete control of all Manchurian railways, previously owned and operated by the Chinese Manchurian authorities. S. M. R. mileage increased from 650 to 2,816. Japanese announced intention also to take over Manchurian section of British-financed Peiping-Mukden Railway.

Mar. 4—Chinese defence in Jehol collapsed, Chengteh, capital of Jehol province, fell into Japanese hands. Tang Yu-lin, Governor of Jehol, deserted city on previous day.

Mar. 8—General Chiang Kai-shek arrived at Paotingfu near Peiping from Kiangsi to reorganize North

China defense. On same day, Chang Hsueh-liang tendered his resignation to the National Government, holding himself responsible for loss of Jehol.

Mar. 9—Chang's resignation accepted by General Chiang Kai-shek at conference held at Paotingfu.

Mar. 9—General Chiang Tso-lin, Minister to Japan, recalled by Chinese Government, arrived at Shanghai.

Mar. 10—Chang Hsueh-liang issued circular announcing his resignation and retirement from political life.

Mar. 10—General Ho Ying-ching, Minister of War, appointed by the Government to take over the North China Command.

Mar. 12—Chang Hsueh-liang arrived at Shanghai by airplane.

Mar. 26—Agreement between the Japanese and "Manchukuo" Government signed at Changchun, under which all electrical communications facilities in Manchuria were handed over to the so-called "Manchukuo-Japanese Joint Stock Company" controlled by the two Governments.

Mar. 27—Japanese Government officially withdrew her membership from the League of Nations.

Apr. 6—Japanese troops moved on Chinwantao and began advance to Luan River considerable distance south of Great wall.

Apr. 10—Manchukuo, with Japanese backing, issued ultimatum to Soviets demanding return to Manchuria of engines and rolling stock of Chinese Eastern Railway which Soviets had withdrawn to Siberian side of border. Soviet Government rejected utlimatum; Japan withdrew troops from Jehol front, transfered them to Harbin and Tsitsihar.

Apr. 11—Chang Hsueh-liang departed from Shanghai for Italy.

Apr. 11—Manchukuo officials with Japanese backing cut railway communication between Manchuria and Soviet Russian territory by locking switches at Manchouli and Pogranictnaya.

Apr. 12—Official denial issued by the Chinese Foreign Office to report of alleged direct negotiations of China with Japan published in European newspapers.

Apr. 20—Japanese announced completion of railway linking Manchurian lines with those of Imperial Japanese Railways in Korea; interpreted as strategic move against Soviets.

Apr. 23—Japanese announced intention to withdraw their troops from Luan River and other parts of Hopei Province to Great Wall area.

Apr. 25—Serious fighting in vicinity of Kupeikow Pass resulting in heavy losses on both sides and Chinese withdrawal.

Apr. 29—Japanese gained first success in westward drive into Chahar and captured Dolonor, important city in Chahar.

May 2—Japanese War Office issued warning that any advance of Great Wall which was vacated by Japanese troops wound be met with severe reprisals.

May 2—Japanese military reports charged Soviets digging trenches near Manchouli and alleged Soviet planes flying over boundary; Japanese also alleged Soviet troops mobilized at Chita and Irkutsk on Trans-Siberian line.

May 3—Manchukuo officials declared Chinese Eastern Railway not property of Soviets, that all rights surrendered to China in 1920.

May 3—Nanking Central Political Council announced creation of a Political Affairs Readjustment Commission in Peiping to deal with Japanese aggression in North China.

May 12—M. Maxim Litvinoff, Soviet Commissar of Foreign Affairs, announced the Soviet Government's intention to sell the Chinese Eastern Railway to either Manchukuo or the Japanese Government.

May 14—Dr. Lo Wen-kan, Chinese Minister of Foreign Affairs, protested to the Soviet Government against the proposed sale of the C. E. R. as violation of the 1924 Sino-Soviet Agreements regarding the line.

May 15—Luanchow, important city on the Luan River to the east of Tangshan City, captured by Japanese, thus increasing the tension at Tientsin.

May 20—New "nickel" coins placed in circulation in Manchuria by the Central Bank of Manchukuo.

May 23—Announcement made in Peiping that temporary truce agreement had been reached between Japanese and Chinese military authorities, providing for suspension of hostilities. Japanese halted advance; danger of imminent capture of Peiping-Tientsin area removed.

May 31—Truce Agreement signed between Chinese and Japanese delegates at Tangku at 11 a.m., definitely putting a stop to the hostilities which had lasted intermitently for 20 months. The Agreement consisted of five conditions:

(a) Withdrawal of Chinese troops to a line designated by the Japanese.
(b) No Chinese troops permitted to cross the designated line in direction of Great Wall or to offer provocation to the Japanese.
(c) Japanese to ensure observance of these conditions by airplane reconnoissance.
(d) The area between the Line and the Great Wall to be administered by Chinese police.
(e) Armistice became effective on day of signature.

June 1—The Chinese Eastern Railway re-named "The North Manchuria Railway" by order of the Manchukuo Government.

June 5—Generals Ma Chan shan and Su Ping wen, who gained fame as defenders of Manchuria against Japanese aggression, returned to China after a forced sojourn in Russia and other countries in Europe for more than a half a year; arrived at Shanghai from Italy.

June 6—Japanese War Office announced the total number of Japanese casualties in the Sino-Japanese "Undeclared War" between September 18, 1933 and May 31, 1933, as 11,380 persons, including officers and soldiers. Japanese estimated Chinese losses at 222,000, including civilians.

July 2—Osaka *Mainichi* published official report from Changchun stating Manchukuo Government planned creation of state monopolies controlling following industries: Petroleum, coal, magnesium, ammonia, electricity, gold mining, alcohol, cement, breweries and distilleries, stock-farming paper-pulp production, hemp, steel, motor-bus operation. Stated some industries while government controlled will admit minority private investment restricted to Japanese and Manchurians.

July 4—New agreement signed between Chinese and Japanese delegates at Dairen Conference in connection with the settlement of military situation in North China; terms not revealed.

July 17—Peiping Political Affairs Readjustment Commission under the Executive Yuan of the Nanking Government inaugurated with Huang Fu as chairman.

July 26—Soviet, Japanese and Manchukuo delegates held first conference at Tokyo in connection with the sale of the Chinese Eastern Railway to Manchukuo.

July 27—Field Marshal Nobuyoshi Muto, Commander-in-chief of the Kuantung Army and concurrently Japanese Ambassador to Manchukuo and Governor-General of the Kuantung Leased Territory, died at Changchun. General Takashi Hishikari, Supreme War Councillor and former Commander-in-Chief of the Formosan and Kwantung Armies, appointed his successor.

Aug. 13—Dolonor, strategic city on the border of Charhar and Jehol, after being occupied by General Feng Yu-hsiang's troops for over three weeks, was recaptured by a Japanese-Manchukuo force.

Aug. 14—Manchukuo authorities protest Chinese action in appointing magistrate in Hsinglung district located on northern border of Hopei province. Japanese claimed district 50-miles wide by 150-miles long belongs to Manchukuo. Chinese magistrate compelled to withdraw.

New Books of Interest in the Far East

Two Small Publications of Much Value

Behind the Far Eastern Conflict, by Joseph Barnes and Frederick V. Field. American Council Institute of Pacific Relations, 129 East 52nd Street, New York City. The Chinese Lama Temple—Potala of Jehol. Century of Progress Exposition, Chicago.

These two small publications should have had comment long ere this, but were sidetracked for larger works awaiting review. The first is a pamphlet of the American Council of the Institute of Pacific Relations, and is an attempt to further analyze a situation first presented in their treatise "Conflict in the Far East, 1931-2." This further study is postulated on the hypothesis that national policies are the crystallization and reflection of group interests within each nation, and that control of international conflict demands realistic understanding of these interests.

The first part of this study deals with "Group Interests in Japan." One may read it with sympathy and recognize the truth in the discussion of Japan's problems without finding any reason given why Japan with its density-of-population problem should have turned to military conquest when Belgium, England and Holland are the three countries mentioned as having a density exceeding that of Japan. These three countries of the Occident have found in co-operation with their colonies a better basis of meeting their basic problem, than Japan has yet demonstrated by use of armed force.

Neither does it satisfy the student of Far Eastern affairs to be told that "Only those whose opinions are founded on nothing more substantial than emotional prejudice and who are thus unable or unwilling to study the problem can fail to recognize that Japan was faced with a very real problem in the summer of 1931." One does not wish to be charged with "emotional prejudice" just because he desires to go back of 1931—perhaps ten years back—in approaching this problem and study what Japan has done to disorganize China and delay if not defeat her progress by aiding and abetting every faction or individual war-lord who worked against the Central Government. One does not wish to be labelled a sentimentalist either when he presumes to assert that Japan has increased her problems rather than solved them by her policy toward China. Nor is it emotionalism to suggest that whether the Tanaka Memorial be a forgery (as Japan would have us think) or not, it still outlines the program which Japan is attempting to carry out.

The second chapter of the pamphlet deals with the "Group Interests in China," and the third with "International Interests," in which chapter the Lytton Report is examined and three proposals enumerated for the enforcement of the Lytton Commission's recommendations! Briefly, they are: mobilization of the public opinion of the world against the violator of the world's peace; a more effective implementation of this moral judgment, either by embargo on shipment of arms or application of the economic sanctions of the Covenant; and the slow attrition of time to work out a compromise.

The pamphlet on the "Chinese Lama Temple" contains a description of the Golden Temple of Jehol, a replica of which has been erected at the Century of Progress Exposition in Chicago. As most of our readers probably know, this Golden Pavilion which is making such a sensation at the World's Fair, was made in China and is faithful in every detail to the Potala of Jehol. Only the terraces of stone, the roof and some beams and columns were made in America. All sculpture and paintings,—ceiling, friezes, capitals, windows and doors were finished by experienced artists and carpenters in Peking. The material for the Temple, more than 28,000 pieces in all, was packed in 173 crates and cases and shipped to Chicago in the spring of 1931. The bronze and wooden images of the gods, the paintings and adornments of the temple were all selected with care and discretion by Dr. Gosta Montell, the historical and ethnographical collector, who writes two chapters of the booklet. Some of these articles are from Jehol and a few date from the time of Chien-Lung. Sven Hedin, the Swedish explorer, wrote the introduction.

The pamphlet is printed on beautiful quality paper which brings out the excellent photographs of images, vessels, paintings, etc., to the best advantage. Almost every detail of carving or of embroidery is visible in the soft-toned black-and-white photographs. The only possible criticism which this reviewer would make of this exquisitely produced pamphlet is that so much of the origin and development of Lamaism and so extensive a nomenclature of Lamaistic deities is crowded into one small publication that it is confusing to the average reader, and perhaps even incomprehensible to the Westerner who has never lived in the Far East and is first introduced to Lamaism through this brochure.

G.T.F.

Recipes for Chinese Food

Chinese Dishes for Foreign Homes, by Nellie C. Wong: Published by Kelly & Walsh, Limited, Shanghai.

The first edition of this worth-while book of Chinese recipes for foreign homes, escaped the review's attention, and the revised edition finds a hearty welcome to an all too-limited library of cook books. The author had a very valuable thought when she conceived the idea to compile a book of Chinese recipes, which are so scientifically correct, that given to the laymen for the first time, can be transferred into edible and tasty dishes for our foreign tables. Too often we have asked how to prepare these savory dishes which are given us by our genial Chinese hosts, and both the names of the ingredients and the art of attaining the fine delicate flavor are beyond our ability. This book is delightful and fills a long felt need in the foreign home.

There are nearly one-hundred Chinese recipes, easy-to-follow, found in Miss Wong's book, accompanied by excellent illustrations on how to prepare a table for a Chinese dinner, vegetables, correct method of preparing Chinese tea, which is a fine art in itself, and signifies the oldest Chinese word of welcome.

Most of the ingredients used in these recipes can easily be obtained in the local markets in China, but Miss Wong has amply provided for those who live in foreign lands, and gives definite addresses where they can be purchased in New York. It might be mentioned here that Chinese food has held a place of great importance in the United States and London, for a long period of time, and it is difficult to find any small town in America, without a Chinese restaurant. Soy bean sauce, ginger, bamboo shoots, Peking ducks canned whole, Chinese ham prepared in honey, are canned in China, under the most sanitary conditions, and exported abroad. In fact some of the American people have become so enamored with Chinese food, that certain food houses have canned Chinese food combinations, as they understand them, and shipped them back to China.

Menus for a Chinese luncheon, tea, bridge luncheon, and a Chinese dinner, are included, which makes this book complete in every detail. It is a book we are apt to leave not carlessly—but deliberately—on our drawing room tables, as the bright orange covering, threaded with imperial yellow cord, holding two Chinese cash for a book mark, lends enchantment and charm to any room.

M. C. P.

A Chinese Idyll

"La Symphonie des Ombres Chinoises," by Madame S. Horosc. Paris, Editions de La Modeleine, rue Tronchet.

In the preface to her story "La Symphonie des Ombres Chinoises", "the authoress informs us that it was written in Peking, rewritten in Paris and finally completed in Geneva.

It has thus become an Idyll and describes the idyllic affection of two young Chinese of the better class whose love for each other is interrupted by conventional family arrangements, so that the heroine is married to a young men to whom she was betrothed at the early age of three. They meet through one of her two children falling into a pond in one of the gardens of Shanghai. A passer-by fishes him out and to his joy finds again in its mother the lost love of his youth. Invited to the family circle the two young people find their affection too strong to avert the usual consequences and the wife quits the abode of the husband she has never loved. Shame and misery dog the movements of the lovers and our heroine sees her lover slowly dying before her eyes leaving her desolate with the little girl that has been the fruit of their affection.

The authoress, a Polish lady, married to a Chinese gentleman, has related her story with great charm and tenderness. The scenes of high-class Chinese family life unroll before the reader, who cannot fail to be deeply interested to the very end.

R.C.

A Chinese Poet's English Verse

A Chinese Mirror. Poems and Plays. By Moon Kwan. Introduction by Manly Hall. The Phoenix Press, Los Angeles, 1932.

This little collection is the work of a Chinese writer, Kwan Wen-ching, who has spent many years in America and gives his name in English as Moon Kwan. This is the second collection of his writings to be published.

The verse form is not Mr. Kwan's happiest medium of expression. Often he has an interesting or beautiful thought, but it is seldom expressed with the requisite delicacy and beauty of form. Perhaps his best poem is "Incense and You," beginning:

Pure is the fragrant incense
And the flower-like soul of you
Divine is its drifting beauty
And the delicate form of you.

Magic and mystic musings
The scented smoke has brought,
But none as thrilling and haunting
As the tenderness of your thought.

Mr. Kwan does better in his little plays, of which there are two in this book. To the first, a fantasy entitled "The Sword of Heaven," there is a brief but precious introduction by George Sterling emphasizing the theme of the playlet, "the priceless thought that though power be the way to the attainment of the heart's desire, it is efficient only when the desire is unselfish." Both this and the second little play, "The Turtle and the Lily," have as their central idea a beautiful and unselfish love, —in the first play that for one's country and people (though one may well inquire whether a love that stops at one's own national boundaries is wholly adequate), in the second play that of a hunchback husband for his wife. Both are quite well done. H. H.

Shantung College Professor Discusses Soviet Russia

J. J. Heeren, professor of political science at the Shan tung Christian Univerity at Tsinan has—issued a brochure entitled "Soviet Russia, an Interpretation." He says that the most interesting of all countries today is Russia. Soviet Russia, he says, is still a vast experiment. Helping it to succeed is the fanatic enthusiasm of its friends. With many the Soviet program is a missionary crusade; the leaders of the Lenin Commune have a real vision, and speak of bringing civilizaion to the countryside. Then the Soviet has the Red Army, the largest in the world, which is well fed and to which no bourgeois element is admitted. As long as this army is loyal, competent foreign observers beli eve that no revolt can possibly succeed, unless it takes place during a general war. Finally, propaganda has reached a higher degree of perfection and efficiency in Russia than in any other country, and this is also a great asset. On the other hand, there are many difficulties. One difficulty is the present economic problem. Billions are being poured into factories, buildings and industries. It is estimated that 40 percent of the workers are being paid in social services, accident insurance, sick benefits, old age insurance, unemployment insurance, rest homes, workers' vacations, etc. Another difficulty is psychological. Russia is being rationed. All the workers have food cards. The final difficulty of the great Soviet experiment is the weakness of its very strength. The great constructive contribution of the Soviet regime is its Planned Economy. A Planned Economy, however, puts tremendous power in the hands of the government; in Russia you find an omnipotent state which dicates what shall be produced, how much, what wages shall be paid; at what prices goods are to be sold and purchased; what is to be imported and exported; but this brings with it a corresponding loss of personal liberty.

The Soviet Union as a European Power

The Aug. 2 issue of *Foreign Policy Reports* is devoted to a discussion of The Soviet Union as a European Power, by Vera Micheles Dean. The author says:—"By its unremitting efforts for collaboration with capitalist states the Soviet Union has sought to demonstrate the feasibility of the principle it first proclaimed in 1927—that at the present stage of their development capitalism and the Soviet economic order described can peacefully exist side by side. This principle however has not displaced the fundamental conviction of Soviet leaders that the triumph of socialism alone can eliminate all economic crises and international conflicts."

CONKLIN
ENDURA
PENS
and
PENCILS

Unconditionally Guaranteed for Ever

Sole Agents:—

THE WING ON COMPANY (SHANGHAI) LTD.

Nanking Road,

Shanghai.

THE PAN-PACIFIC CULTURAL ASSOCIATION

Has reprinted for general distribution in pamphlet form the treatice by the late B. H. Chamberlain, Emeritus Professor of Japanese and Philology at the Imperial University of Tokyo, entitled,

"THE CREATION OF A NEW RELIGION"

The pamphlet contains in its 10 pages a complete exposition and analysis of Shintoism and Empire-worship, regarding which the world is now beginning to hear so much along with the so-called doctrines of Pan-Asianism and Asiatic Monroe Doctrine.

Price, including postage, 30-cents a copy. Orders sent to *The China Weekly Review* will be forwarded to the publishers for execution immediately.

ONLY A FEW COPIES LEFT

The *Review* still has on hand a few copies of the following books dealing with Pacific and Far Eastern Affairs:

"Problems of the Pacific" by Bruno Lasker; standard book of reference for those interested in the complicated affairs of the Far East ..... Price M.$15.00

"Symposium on Chinese Culture," by Sophia Chen Zen ..... Price M.$ 7.50

"Essays on the Manchurian Problem," by Shuhsi Hsu ..... Price M.$ 7.50

Add 25-cts. for postage in China or $1.40 if to be mailed abroad.

THE CHINA WEEKLY REVIEW

38 Avenue Edward VII Shanghai

66-139

Significant Features of the First Draft-Constitution of China

BY M. C. LIANG

THE Kuomintang delegates at their Third Plenary Session held last year decided that the Kuomintang tutelage should terminate and the constitutive powers be returned to their *cestui que trust*. It was further resolved that the incoming Legislative Yuan should draft a permanent constitution in pursuance of Art. 58 of the prevailing Provisional Constitution, for adoption by the people at their General Covention, the date for which would be decided at the Convention of the National Delegates which was scheduled to convene on Nov. 12, 1933.

Mr. Sun Fo on assuming the presidency of the Legislature devoted himself to the preparation of the new constitution, and appointed Dr. John C. H. Wu and others to frame the first draft, the complete text of which was recently published in both Chinese and English, for public information and criticism.

Itself one of the best composition of political mechanism, China's first draft constitution, better known as the John Wu Draft, is as practical and flexible as it is panoramic in scope. It surpasses the Weimar Text in breadth of treatment and compares well with the fundamental law of the United States. The political inexperience of the people and the desirability of making the constitution a sort of political bible necessitate the insertion of many elementary maxims, some political, some economic, and others ethical, which if written in an English Constitution, might depict the framers with a display of cheap erudition or a preposterous classificatory pedantry.

It is not the intention of this article to give an analytical survey of this unique instrument, nor does space permit of such an undertaking. Suffice it to feature a few of its salient points. It might be questioned, at the outset, whether, in view of the Chinese public law being still in the melting-pot, a comment on it at this juncture is well chosen. But, gauged from another standpoint, the John Wu Draft is important historically because it embodies the courageous attempt of the Chinese people to establish a common-wealth on a solid basis of justice and equality and that it is a charter inspired by the high ideals of Dr. Sun Yat-sen's teachings: and it is important politically because certain novel ideas has been incorporated in the design, which if allowed to grow, may yet bear wholesome fruit.

When examined, the instrument reveals itself as a *tableau vivand* of realities. The people have been wont to drink, politically, from the fountains of the *pater patriae* and can understand a document only when it is saturated with the Sun-Yat-sen doctrines. Hence the draft's striking accordance with the "Triple Demism", the "Five power Constitution" and the "Fundamentals of National Reconstruction". Art. I, according to which China is designated a "San-Min-Chu-I" Republic is in line with democratic ideas and is tantamount to "government of the people, by the people and for the people."

The draft does not revolutionize but advocates a stream of reforms in the light of lessons gained from the approved practices of other countries. Democracy is not only the pivot in political organization but permeates deep into the social and economic strata. Its offsprings are the twin-sisters liberty and equality. The builders of the constitution realised with profound sagacity that democratic ideas, if they are to thrive in the nation, should be implanted in the hearts of the young. Hence the provisions of Art. 186 *et seq.*, in accordance with which attendance at public elementary schools is compulsory for all children. Again, economic organizations are democratised (Art. 168). That most precious of all rights, the right of personal liberty, is safeguarded under Art. 24 which incorporates the celebrated Habeas Corpus Act and charges the officer with the offense of false imprisonment if he fails to issue the *corpus cum causa* or make due returns.

The aim of the Chinese constitution is to serve the cause of peace (Art. 10). Civil war must be eliminated: hence the significance that no province is permitted to maintain troops or establish military school or arsenal. Art. 12 spells the doom of secret diplomacy and contrasts distinctively with the provisions of the French constitution (Art. 8) by which the French President is authorized to withold from the knowledge of the chambers the description of treaties affecting the interest and security of the state.

A remarkable provision is Art. 14, according to which the generally recognized principles of international law have the same obligatory force as the law of the Chinese Republic: thus bringing the Chinese conception into conformity with that of the Anglo-Saxon jurisprudence, in accordance with which international law is not merely *ius inter gentes* but that which confers rights and imposes duties on the citizen. The principle "*iura novit curia*" applies generally.

Art. 34 marks the introduction of the notarial system which had contributed so much to the evolution of the Law Merchant.

The chief concern of the constitution drafters is the rule of law which must triumph under all circumstances. Additional safeguards are provided for the independence of the judges and the establishment of extraordinary tribunals is forbidden. By the side of the ordinary courts, a National Affairs Court is erected to guarantee the constitution and adjudicate disputes arising therefrom, and it is also empowered like the French *Conseil d'etat* to fix the competence of governmental authorities and provide the individual citizen with remedies for any violation of his rights by the executive.

In this connection it is interesting to note that almost immediately following publication of the Draft an Administrative Court was established at Nanking, in pursuance of Article 22 of the Provisional Constitution which confers upon all persons the right to institute administrative actions for the redress of wrongs done by government organs. The new tribunal exercises independent functions and, *motu proprio*, decides its jurisdiction, to which all government officers, irrespective of rank, are amenable. This *droit administratif*, in our age, is a necessity. This necessity has also been felt in America. Chief Justice Hughes recently pointed out that "the distinctive development of our era is that the activities of the people are largely controlled by government bureaus in State and Nation. It has well been said that this mutiplication of administrative bodies with large powers has raised anew for our law, after three centuries, the problem of executive justice, perhaps better styled administrative justice."

Cuba Elects President, but United States Withholds Recognition

While the Cuban President who took office recently, Dr. Carlos de Cespedes, was absent from Havana investigating the havoc wrought by the hurricane, an army sergeant named Batista with a university professor and a radical journalist ousted him from his position and formed what they call a "truly revolutionary government."

The new Cuban government includes Sergio Carbo, an exiled communist journalist, who has returned to Cuba after spending two years in Soviet Russia, and Lieutenant Paurent, an ex-artillery officer, who was first imprisoned and then exiled by President Machado. Cuban Communists recently issued a manifesto with slogans of "Down with the Government!", "Long Live Soviet workers and peasants!", "Soldiers and Sailors, rise against Yankee Imperialism!".

Grau San Martin, a former professor of anatomy, was elected president of Cuba Sept. 10. So far, the United States has withheld recognition. Argentine has sent a note to the United States expressing the hope that America will not intervene and will allow the young republic to work out its own destinies.

Although the U.S. government has repeatedly intimated that it does not intend to intervene in Cuba unless conditions should compel such action, there are at present about 30 U.S. war craft in Cuban waters. American intervention would be resented by the South American republics.

Mexico has communicated with Argentina, Brazil and Chile, asking these dominant South American powers to bring their influence immediately to bear upon Cuba with a view to maintaining order. The Mexican Foreign Office emphasised the desirability of avoiding American intervention in Cuba and stressed the need for a swift restoration of order if that end is to be achieved.

Tung Wen College Students Sentenced in Nagasaki

Four students of Tung Wen College, a Japanese educational institution in Shanghai, who have been on trial in the Nagasaki District Court on a charge of being involved in subversive communist activities in Shanghai, were sentenced to imprisonment with hard labor ranging from one year and-a-half to three years Sept 12; the three-year sentence being imposed on Takashi Sakamaki, the ringleader.

Cantonese Request More Money from Nanking

General Chen Chi-tang, the most powerful warlord in the South-west to-day, has again approached the Military Council at Nanking demanding a further increase of $200,000 in the Government monthly appropriations to Canton for meeting the military expenses in that province. The Canton military authorities contemplate the convocation of a conference at Canton for the discussion of what attitude they shall adopt towards the existing political situation.

A recent Hongkong message stated that the party leaders in the South-west, notably Messrs. Hsiao Fo-chen, Chou Lu and Teng Cheh-ju, had at last been induced to accept the conditions of General Chen Chi-tang, as their hurried departure from Canton failed to make any impression on General Chen Ming-shu. The party leaders had thought of finding a way to overthrow General Chen, but failed to reach a definite decision. As a result they have decided to yield unconditionally to General Chen's conditions.

Chou Lu, one of the prominent Party leaders in the South-west, has proceeded to Foochow. His departure is said to be connected with the recent political upheaval in Canton.

Wang and Chiang Explain Nanking Policy to Canton

President Wang Ching-wei and General Chiang Kai-shek Sept. 6 despatched a joint telegram to Generals Chen Chi-tang, Li Tsung-jen and Tsai Ting-kai, of the South-western Political Affairs Committee, in reply to a joint telegram received from them three days previously. In their telegram, which was addressed to the Central Party Headquarters as well as President Wang and General Chiang, the three South-western leaders requested that the convocation of the 5th National Congress of Party Delegates be postponed; that all details concerning the employment of the proceeds of the American wheat and cotton loan be made public; that the full text of the Sino-Japanese Tangku Truce Agreement be released; and that the various anti-Japanese forces in Charhar province be maintained.

The Wang-Chiang reply suggested that Generals Chen Chi-tang and Li Tsung-jen, in their capacity as members of the C.E C., should submit their proposal for the postponement of the Congress to the Standing Committee of the C.E.C. for consideration. President Wang and General Chiang said they personally have no preconceived ideas on this matter.

With regard to the employment of the proceeds of the American wheat and cotton loan, the reply stated that the Central Political Council had already decided to use the funds entirely for the development of productive enterprises, with special emphasis on agricultural development.

As regards the Tangku Truce Agreement, President Wang and General Chiang stated that the complete text had already been made public, and that no secret annexes were attached to the Agreement. Concerning the anti-Japanese forces in Charhar province, the reply stated that the matter has already been settled by Generals Ho Ying-chin and Sung Che-yuan. While most of these forces have been reorganized by the Central Government, detachments consisting of over 1,000 men under Chi Hung-chang, who are out-and-out Communists, are fleeing to Tushihsow from Shangtu, with a view to joining forces with several hundred men under Wang Chung-fu, a subordinate of General Fang Chen-wu. These men have not yet been brought entirely under control by the Central Government. In case however the communist elements in these detachments such as the notorious communist bandits, Chang Mu-tao and Hsuan Chieh-fu, be expelled, the Government would still be prepared to be lenient towards these troops.

Cantonese Continue Opposition to Fifth National Congress

Sun Fo, when interviewed upon his return from the Kuling conference, said that in view of the opposition of the Canton military leaders to the convocation of the Fifth National Congress of the Kuomintang in November, the Government may again consider postponing the Congress.

Mayor Wu Teh-chen of Shanghai during the week hinted at the possibility that the Fifth National Congress of the Kuomintang might be postponed in view of the opposition in certain quarters.

The Canton City Students Anti-Japanese Association supporting the opposition to the Fifth National

In the United States Court for China

In re. Estate of MIGUEL MORALES Deceased	Cause No. 3565 Special Proceedings No. 924 NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of MIGUEL MORALES, deceased, to present the same with vouchers to the undersigned on or before March 16th, 1934, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China, September 11th, 1933.

CHAUNCEY P. HOLCOMB,
Administrator,
12 Kiukiang Road,
Shanghai.

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches
Your work should bear our imprint

It Might Have Been Worse

Said his father to little Tommy in deep sorrow: "I've had a report from your schoolmaster telling me that you are the last in a class of thirty boys. What do you say about that?"

"Well, dad," replied Tommy, "I'm very sorry. But it might have been worse."

"Worse? How could it have been worse?"

"It might have been a larger class."

Tommy is not quite so dull as his school reports would lead one to believe . Things can always be worse. And in this connection many parents have been heard to observe when the little ones have been "off colour," "it might have been worse if we had not had Baby's Own Tablets handy." Many childhood ailments have been nipped in the bud and more serious consequences averted by the administration of Baby's Own Tablets at the first signs that all is not well.

This splendid juvenile health guard was designed by a qualified physician of wide experience with children. The tablets are gently laxative, cleanse the stomach, restore lost appetite and brighten a moody child immediately. For the common ailments of childhood, stomach troubles or constipation, they are rapidly and pleasantly effective. During the teething period Baby's Own Tablets ease the pains in a miraculously speedy fashion though they are guaranteed to contain no opiates or other harmful drugs. All wise parents keep Baby's Own Tablets handy for emergencies.

66-141

Congress by the Kuomintang leaders in the Southwest, are among those who have issued a circular message against the convening of the Congress.

Following discovery of a shortage of $208,391.73 the Kwangtung Provincial Bank at Canton has issued a warrant for the arrest of Peter Young, a Chinese citizen, the former cashier, whose whereabouts is unknown since August 15. The missing cashier is will known in Hongkong and Canton as an amateur jockey. He is a son of Young Sai Ngum, a former Commissioner of Finance in the Canton Government, and a prominent Chinese merchant.

Warring Szechuen Leaders Make Peace

Generals Liu Hsiang and Liu Wen-huei, who had been fighting each other for the last twelve months, have agreed to renew their former relations as uncle and nephew. The two Lius recently issued a joint telegram announcing the suspension of hostilities in the province. Liu Wen-huei's request that his troops should be permitted to remain at Ya-an on the Sikang-Szechuen border has also been accepted by General Liu Hsiang, commander of the Allies, who has recalled his troops from that city to make room for his uncle's forces.

A representative of General Liu Wen-huei arrived in Chengtu last week to sue for peace. A peace conference is to be called at Chengtu shortly to discuss rehabilitation affairs in the war area and the future disposal of the area formerly controlled by General Liu Wen-huei.

Fighting was resumed end of last week in Northern Szechuen between the Communist forces under Hsu Hsiang-chien, an army commander in the Red Army and the troops under General Tien Sung-yao.

General Liu Wen-huei, deposed Chairman of the Szechuen Provincial Government, is now at Fulin, on the Sikang-Szechuen border, with several thousand men under him. He has received a number of telegrams from his subordinate commanders demanding his immediate retirement.

Taking advantage of the defeat of the 24th Army under General Liu Wen-hui by the combined Szechuen units, the Tibetan troops are launching another invasion into Sikang province. The Central Government is in receipt of an urgent report from General Lung Yun, Chairman of the Yunnan Provincial Government, stating that Chungtien, northern Yunnan, has been occupied by Tibetan invaders.

End of Civil War in Kweichow Province

General Wang Chia-lieh, Chairman of the Kweichow Provincial Government, reports that General Yu Kuo-tsai, his political opponent, has agreed to come to terms and has been appointed Commander of Bandit Suppression in Kweichow and concurrently Commander of the 2nd Kweichow Division. The new arrangement has definitely ended the civil war in Kweichow province.

Real Estate Review of the Western Area by Realty Investment Company

There has been a very satisfactory increase in enquiries for building sites in both the Western district and French Concession. This is particularly the case along Bubbling Well Road West of Cardon Road, but there are very few sites available and we understand that owners were reluctant to negotiate. In French Concession a few pieces changed hands and a few new pieces have come on the market but there has been no apparent reduction in prices except for small lots with very little road frontage. Trading West of the Settlement boundaries is still active and small lots of land are continually changing hands. No sales have been reported in the other areas. There is intense building activity in both the areas under review and the rate at which shops, hongs and small foreign houses are springing up is perfectly amazing, and shows the confidence the investors have in the ever increasing size of Shanghai.

There is not much activity in private residential sites in these areas the trend being towards terrace houses and apartments. Smaller houses with gardens are in great demand but there are very few available. There have been several enquiries for the purchase of medium priced residences standing in their own grounds but no bargains seen to have come on the market.

The National City Bank of New York, Rates of Exchange

Shanghai, Sept. 13, 1933.

Demand selling rate on America:	U.S. $100=Sh. $345.48
Demand buying rate on America:	U.S. $100=Sh. $339.70
Demand selling rate on London:	£1.0.0=Sh. $ 15.94
Demand buying rate on London:	£1.0.0=Sh. $ 15.67

Latest New York Stock Exchange Quotations

Market—Steady Business Done 2,240,000 Shares

September 18, 1933

1932-3 High	1932-3 Low	Div.$ per Sh.	STOCKS	Mon. Sept.. 11	Tue. Sept. 12
13¼	1⅝	—	Adams Express	10½	10¼
32	7⅜	.60	Alaska Juneau	29	28⅝
142¾	42½	6.00	Allied Chemical & Dye	140	138
97½	29⅝	4.00	American Can	93	92½
19⅝	2	—	American & Foreign Power	14⅞	13⅛
44⅞	5	—	American & Foreign Power 7% Pfd.	27	28
12⅛	1⅛	—	American & Foreign Power Warr.	9	9¼
23⅝	1¼	—	American Metal Co.	20¼	19⅞
42¼	5½	—	American Smelting	39⅜	39
137¾	69¾	9.00	American Telephone & Telegraph	131¾	131¾
94¾	44	5.00	American Tobacco "B"	90½	90
43¼	11	1.00	American Waterworks	28¾	28⅞
22⅞	8	—	Anaconda Copper	17¾	17¾
18⅝	4¼	—	Atlas Corporation	14	14
151¾	28¾	2.00	Auburn Automobiles	62¼	61
37⅞	3¾	—	Baltimore & Ohio	34⅝	34⅛
49¼	7¼	—	Bethlehem Steel	40¼	39½
48⅛	18	1.60	Borden Company	27	26¾
21⅝	3⅜	—	Borg Warner	19¼	19⅜
20⅞	7¼	—	Canadian Pacific Railway	15⅝	15¾
103½	16¾	—	Case, J. I.	78	76
47⅞	19	1.40	Chase National Bank	26⅜	26⅝
52½	4⅞	2.00	Chesapeake Corp.	49	48
47	5	.50	Chrysler Corp.	49⅞	48⅝
28⅛	4¼	.80	Columbia Gas & Electric	18	17¾
7⅝	1⅜	—	Commonwealth & Southern	3	2⅞
68¾	31½	3.40	Consolidated Gas of N. Y.	48½	47¼
19½	3⅝	—	Continental Oil	19	18⅝
90½	24¾	3.00	Corn Products	87¾	89
7½	1½	—	Coty Inc.	5⅜	5¼
4⅜	⅞	—	Curtiss Wright Company	3¼	3
18⅝	5	.75	Douglas Aircraft	15½	15½
68½	28	3.00	Drug Incorporated	42	42
85¾	22	2.00	Du Pont de Nemours	81⅝	81¾
89¾	35¼	3.00	Eastman Kodak	82⅞	84
48	5	6%S	Electric Bond & Share	24½	24
16	2¾	—	Electric Power & Light	9	9
		—	Fox Film	15¾	16
10¾	2⅞	—	General Aviation	8¼	8½
30¼	8½	.40	General Electric	24¾	24⅛
40¼	19⅝	1.80	General Foods	38⅜	38⅝
34¼	7⅜	1.00	General Motors	34¼	34½
49½	6¼	1.00	General Railway Signal	42½	41⅞
27⅜	8¼	1.20	Gold Dust	23	23⅜
47½	5¼	—	Goodyear Tire & Rubber	38¾	37¼
40	35⅛	—	International Cement	38½	38
46	10⅝	.60	International Harvester	41¼	40¼
22	8½	—	International Nickel	20¾	20
21¾	2⅝	—	International Telephone & Telegraph	17¼	16½
60¾	10	—	Johns Manville	57	55¼
25⅞	4⅞	—	Kennecott	22⅛	21⅞
79¾	30½	2.40	Lehman Corporation	71½	71⅞
97⅝	31¼	*4.00	Liggett & Myers, "B"	96	95¾
37¾	8½	1.00	Loew's: Inc.	34¾	34¼
25¼	9	1.20	Lorillard P. Co. (Com.)	23¼	23⅞
37⅞	12	1.00	McIntyre Porcupine	36⅝	36
28⅞	3½	—	Montgomery Ward	25⅜	24¾
64½	19¾	1.00	National City Bank (bid price)	Unq.	29½
124⅞	13	—	National Distillers	103¼	103
58½	8¾	—	New York Central	50⅝	59⅝
43¼	13¾	8%S	North American Company	23⅝	23
96¾	12	9.00	Owens Illinois Glass	80⅛	81½
37	16⅞	2.00	Pacific Gas & Electric	23	23
6⅞	1¼	—	Packard Motors	5	4⅞
42¼	9¼	.50	Pennsylvania Railroad	36¼	36⅜
6⅛	1	—	Pennroad Corporation	3¾	3¾
17⅞	2	—	Phillips Petroleum	17¼	18
13½	2½	—	Radio Corporation	9¼	9½
7¾	1	—	Radio-Keith Orpheum	3⅜	3⅜
53⅝	26½	3.00	Reynolds Tobacco "B"	52½	53
47	9⅞	—	Sears Roebuck	42⅝	42⅜
11⅝	2½	—	Shell Union	9½	9⅛
15½	5¼	—	Socony-Vacuum Corp	13⅞	14
32¾	15¾	2.00	Southern California Edison	20	19¾
34¼	5⅛	—	Standard Gas & Electric	14⅝	14½
41½	19⅞	1.00	Standard Oil Co., of N. Jersey	41⅜	41¾
28⅝	9¼	1.00	Texas Corporation	28⅛	28¾
34⅞	12	1.00	Texas Gulf Sulphur	32	31⅜
9½	2⅛	—	Trans America	7	7⅛
51⅞	15½	1.00	Union Carbide & Carbon	48½	48¾
132	27⅝	6.00	Union Pacific	128½	121
46⅞	6½	—	United Aircraft & Trans.	39¼	38⅜
14½	3½	—	United Corporation	9	8
25	9¼	1.20	United Gas Improvement	18¾	18⅝
25	1½	—	U. S. Rubber	18¾	18⅛
67½	21¼	—	U. S. Steel	56	54¾
51½	11	*2.00	Universal Leaf Tobacco	45	Unq.
36¼	5¼	—	Vanadium	27	27¼
8⅝	½	—	Warner Bros. Pictures	8½	8¼
58¾	15⅝	—	Westinghouse E. & M.	46¾	46⅜
50⅞	22	2.40	Woolworth	39⅝	39⅝

*Plus Extras Call Money ¾% ¾%

SWAN, CULBERTSON & FRITZ

Swan, Culbertson & Fritz

Investment Securities—Local & Foreign

Safe Deposit Facilities

New York stock quotations received daily

Sassoon House Telephones 11200 (4 lines)